



BUDGET AND FINANCIAL PLAN

2010-11 FISCAL YEAR

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General Manager

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Director of Administrative Services
June 9, 2010

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GUIDE TO THE BUDGET AND FINANCIAL PLAN

The Gold Coast Transit (GCT) Budget and Financial Plan for FY 2010-11 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.

Operating Revenue

This section summarizes the operating 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 also provided.

FY 10-11 BUDGET AND FINANCIAL PLAN

GOLD COAST TRANSIT MISSION STATEMENT

In December 2009, GCT's Board of Directors adopted a new mission statement, providing a clear, concise strategic direction for the organization:

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

BOARD OF DIRECTORS

City of Ojai

Mayor Pro Tem Carol Smith
Director

Councilmember Sue Horgan
Alternate

City of Oxnard

Mayor Thomas E. Holden
Director

Councilmember Bryan A.
MacDonald - Alternate

City of Port Hueneme

Councilmember Maricela P.
Morales - Vice Chair

Mayor Pro Tem Sylvia Muñoz
Schnopp - Alternate

City of Ventura

Mayor William Fulton
Director

Councilmember Brian Brennan
Alternate

County of Ventura

Supervisor John C. Zaragoza
Chair

Supervisor Steve Bennett
Alternate

SENIOR MANAGEMENT STAFF

Deborah C. Linehan
General Manager

Steve L. Rosenberg
Director of Administrative Services

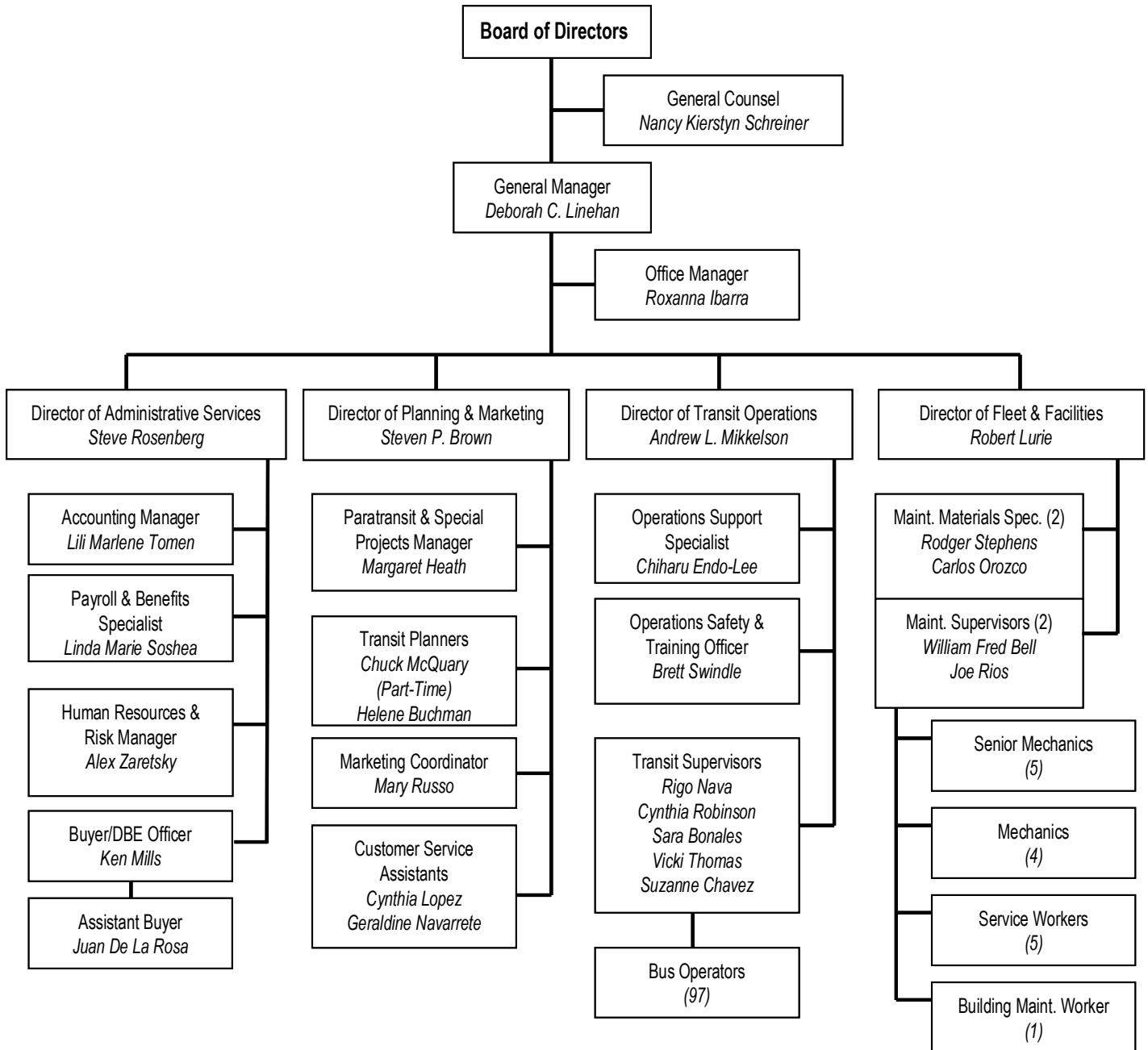
Robert Lurie
Director of Fleet & Facilities

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 and resource availability.
 - B. Meaningful public and JPA member agency input is solicited during the annual budget review.
 - C. Salary and benefit increases for employees reflect the agreed upon level. For FY 2010-11, resource constraints dictate that the budget be premised on no wage or benefit increases.
 - 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 typically anticipated in the capital reserve funding request. For FY 2010-11, as in FY 2009-10, resource constraints dictate that the annual capital reserve contribution be deferred.
 - F. Budget versus actual financial information is reported.
- II. BUDGET REVIEW FOR FY 2009-10 - THE PRIOR BUDGET YEAR

The original approved operating budget for FY 2009-10 was \$16,539,900, a 2.3% increase from FY 2008-09. A budget change associated with a service reduction for the final 2.5 months of the fiscal year was approved by the Board in April 2010, reducing the operating budget by \$68,800 to \$16,471,100.

Key factors which contributed to the modest increase were reduced revenues from all of GCT's revenue sources resulting in service adjustments to a number of GCT routes, and a significant decrease in the price of natural gas to fuel our fleet. These offset projected contract cost growth for our paratransit service and labor cost increases associated with the two-year labor agreement between GCT and Service Employees International Union (SEIU) Local 721 which was effective November 2008. It was later discovered that the service hour adjustments implemented at the final stage of the budget process understated the actual hours being run, so that the FY 2009-10 budget understated the actual cost of operator labor and associated benefits.

- A combination of the State budget crisis and a weak economy 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 recession reduced sales tax receipts across the state, reducing the level of LTF funds available to Ventura County. Additionally, the State eliminated funds for State

Transit Assistance (STA). As a result, the Ventura County Transportation Commission (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. FTA 5307 grant funding available to GCT for operations-related activities was reduced by 7.4%. GCT used 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.
- Passenger boardings were forecast to decrease by approximately 1.1% in FY 2009-10. A small mid-year fare increase was anticipated but had not yet been approved. Service adjustments were implemented to reduce costs to the level of available funding.
- The budget for fueling the fixed route and paratransit fleets with CNG in FY 2009-10 was 35% lower than the revised FY 2008-09 budget, as prices for natural gas dropped significantly from the highs experienced in the prior year. The federal excise tax credit on alternative fuels, which provided GCT with approximately \$400,000 annually, expired on December 31, 2009. Legislation to extend the credit remains stalled in the Senate.
- The budget for paratransit services increased 5.8% increase from the FY2008-09 budget, based on projections of an 8% ridership increase.
- GCT's two-year agreement with SEIU Local 721 provided a wage increase of 5% to 5½% for represented employees in November 2009.
- 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 received from its member agencies \$400,000 of non-TDA funds, in the form of route guarantees, which count as fare revenues toward meeting this requirement.
- GCT had increased its capital reserve contribution to \$1,200,000 for each of the two prior years, with a goal of accumulating matching funds to pursue grants for property acquisition and construction of a new operating facility in the five year range. 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 reduced revenues to the point where the capital reserve contribution for FY 2009-10 was completely deferred. The impact on other capital acquisitions was mitigated by the availability of ARRA funds, which require no matching funds.

- Net member contribution was 4.68% lower than in FY 2008-09, primarily as the result of the capital reserve contribution deferral.

III. BUDGET HIGHLIGHTS FOR FY 2010-11, THE UPCOMING BUDGET YEAR

The proposed operating budget for FY 2010-11 is \$16,874,100, a 2.4% increase from the recently reduced FY 2009-10 budget. Revenues available to GCT for provision of transit service are at historically low levels, and only the provision of one-time ARRA revenues for both paratransit and fixed-route operations allow GCT to continue providing service at the current operating level. On the expense side, the key factor is a premised freeze on wage and benefit increases for FY2010-11. With GCT's existing union agreements set to expire on October 31, 2010, it will require cooperation from all of GCT's employees to continue providing the current level of transit service to the citizens of western Ventura County through this challenging period.

Budget highlights are as follows:

- Reduced Revenues – A combination of the continuing State budget crisis and the ongoing economic recession continue to impact GCT's major revenue sources. Sales tax receipts continue to be low, reducing the level of LTF funds available to Ventura County. The State recently reinstated funding for State Transit Assistance using a different revenue source; it is unclear at this time whether long-term this will restore STA to its previous funding level. Prior to STA being reinstated, VCTC was preparing to allocate LTF funds to backfill programs (primarily Metrolink commuter rail) previously funded with STA funds. These actions would have left GCT's members with substantially lower LTF funding, and would have caused GCT to propose significantly reduced service.

GCT's primary source of federal funding is FTA Section 5307 grant funding, also allocated to GCT through VCTC. The FTA's authorizing legislation to provide transit funding, titled SAFETEA-LU, expired after FY2009. Except for continuing resolutions, no extension or replacement has been implemented. Based on available information, this budget premises that Federal funding will be available at a level that is 98% of the previous year.

A new and critical revenue element of the FY 2010-11 budget is the use of ARRA (stimulus) funds to support operations. This budget uses \$500,000 of ARRA funds for paratransit operations and \$640,000 of ARRA funds for fixed route operations. Since ARRA is not anticipated to be an ongoing funding source, this must be considered one-time funding which will not be available in FY 2011-12 and beyond. This poses a significant challenge for next year and beyond.

- Labor – This budget is premised on no wage or benefit increases and no increase in employee headcount for FY 2010-11. The 9% increase in the salaries and pension line items from the FY 2009-10 budget reflects the inclusion of incorrect service hour data in calculating the FY 2009-10 budget which resulted in under budgeting for the line items in this category. Staff reported this issue to the GCT Board in November

2009 and it has been tracked all year. GCT's existing Memoranda of Understanding (MOUs) with SEIU Local 721 will expire on October 31, 2010. Employees of all of our member agencies have made economic sacrifices in the wake of the recession and California's continuing budget crisis, and GCT's non-represented employees are already operating under a wage freeze. It will require cooperation from all of GCT's employees to continue providing the current level of transit service to the citizens of western Ventura County through this challenging period.

- Boardings - Fixed route boardings for the first ten months of FY 2009-10 are 2.8% behind FY 2008-09 boardings, however the trend is improving as ridership over the past three months is up 3.4% from the prior year. Boardings are forecasted to finish FY 2009-10 at a 2.2% decrease from the previous year. Taking into account planned minor service adjustments and a full year of the 8% fare increase implemented in January 2010, it is projected that fixed route boardings for FY 2010-11 will be flat compared to FY 2009-10 projected actual boardings, and that passenger fares will be 3.25% higher than actual FY 2009-10 fares.

Paratransit boardings for the first ten months of FY 2009-10 are 5.1% behind FY 2008-09 boardings, and this downward trend is accelerating as boardings over the past three months are down 8.8%. Boardings are forecasted to finish FY 2009-10 at a 5.6% decrease from the previous year. Since GCT's incurred contract cost correlates to boardings, the fiscally moderate budget premise is that boardings will increase 3.7% from the projected actual boardings for FY 2009-10. This would still be a net reduction in boardings from FY 2008-09.

- Service Adjustments – A number of service changes will be implemented for FY 2010-11, to begin in August 2010, including several which are linked to a transit service strategy planning effort recently undertaken by GCT. Routing will be modified on Routes 6, 10, 11 and 40, and a new Route 19 will be implemented serving Oxnard along Gonzales Rd and 5th Street between Victoria Ave. and Lombard St. Route 6 running times will be adjusted to ensure better on-time performance and better transfer connections for passengers.

The FY 2010-11 budget includes 147,816 revenue service hours, approximately equal to the number of hours provided in FY 2009-10.

- Increased fuel budget - The budget for fueling the fixed route and paratransit fleets with CNG in FY 2010-11 is \$698,300, a 7.5% increase from the FY 2009-10 budget. The unit price used to calculate the FY2010-11 budget is \$.60 per therm, based on the 12-month rolling average for the period May 2009 through April 2010. Last year's budget premise was \$.81 per therm, which produced a significant positive variance for this line item.

The federal excise tax credit on alternative fuels expired on December 31, 2009. A bill to extend this credit continues to languish in Congress, and its future is uncertain. This budget is premised on no tax credit, resulting in a negative variance for this line item compared to the FY 2009-10 budget. Should this legislation pass and the credit

be extended, GCT would realize an estimated additional savings of approximately \$100,000 per quarter for every quarter the credit is in effect.

- Paratransit operations - The budget for paratransit services in FY 2010-11 is \$2,200,000, a 1.8% decrease from the FY 2009-10 budget. The ridership projection for FY 2010-11 is lower than the projection used to develop the FY 2009-10 budget.
- 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%, or that the claimant realize a farebox recovery ratio (FBRR) of 20% for fixed route service and 10% for paratransit service. This budget projects to meet the latter goal by supplementing on-board farebox receipts with local non-TDA funds in the form of route guarantees for fixed route service and service guarantees for paratransit service to support service to senior citizens who are not ADA eligible. These route or service guarantees count as fare revenues in calculating the FBRR. GCT also has budgeted \$10,000 in non-TDA fare revenue from a grant received from the Ventura County Air Pollution Control District (VCAPCD) for the purpose of encouraging increased use of public transit. In total, the FY 2010-11 budget includes guarantees of \$227,000 for fixed route and \$78,000 for paratransit, a total of \$305,000. These guaranteed revenues will allow GCT to meet the FBRR standard.
- Capital Reserve Contribution – For the second consecutive year the capital reserve contribution is being completely deferred as a result of the transit funding shortfall caused by the state budget crisis and the impact of the recession on sales tax revenues. As a result of the timely availability of ARRA funds, which require no matching funds, for such capital projects as bus acquisition, the impact of the first of this two-year deferral is that the reserve amount has remained flat. Continuing to defer annual contributions to the capital reserve beyond these two years is likely to have a negative long-term impact on GCT's future ability to maintain and expand service.
- Member contribution - The net member contribution, including both TDA and non-TDA contribution, is \$8,158,911, a 5% reduction from FY 2009-10 and a 9.5% reduction from FY 2008-09.

IV. FUND STRUCTURE

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

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 April 21, 2010 before being

discussed at the May Board Meeting on May 7, 2010. GCT staff reviewed the proposed budget and service adjustments with the Ventura and Port Hueneme City Councils on May 17, 2010. The input received from the city councils was reviewed with the TAC on May 19, 2010. On June 2, 2010 a public hearing was held in conjunction with the monthly GCT Board meeting to receive public comment on the proposed budget. The GCT Board at that time voted to adopt the final budget.

The final funding allocations for this budget were approved by the Ventura City Council on June 7, 2010, and the Oxnard City Council on June 8, 2010. The Ojai and Port Hueneme City Councils are scheduled to consider final approval later in June 2010 and the Ventura County Board of Supervisors will consider approval of its TDA allocation in early July 2010.

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; and Table 4 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 18) section and the revenue sources in the **Operating Revenue** (page 23) section.

EXPENDITURES

The following five tables provide an overview of the GCT FY 2010-11 operating budget. Table 1 provides a summary of both revenue and expense, categorized by both expenditure type and department, Table 2 provides a line item breakout of the expenses by type, and Table 3 provides a summary of financial participation by each member agency. Tables 4 through 6 reflect the operating expense line item budgets by line item breakouts, and are accompanied by a discussion of significant cost categories. In the appendix are detailed tables of the line items by each of GCT's five departments.

TABLE 1

Gold Coast Transit
Operating Budget Summary
July 1, 2010 to June 30, 2011

<u>Item</u>	<u>FY08-09 Budget</u>	<u>FY08-09 Actuals</u>	<u>FY09-10 Budget</u>	<u>FY10-11 Budget</u>	<u>% +/- FY11 vs. FY10</u>
Passenger Fares-Fixed Route	\$2,749,800	\$2,709,665	\$2,738,400	\$2,671,700	(2.4%)
Passenger Fares-Paratransit	\$159,100	\$161,476	\$177,000	\$169,000	(4.5%)
Special Transit Fares (FR) - Member Gov'ts	\$335,000	\$335,000	\$400,000	\$227,000	(43.3%)
Special Transit Fares (PT) - Member Gov'ts	\$0	\$0	\$0	\$78,000	N/A
Interest	\$60,000	\$52,444	\$35,000	\$10,000	(71.4%)
Advertising Income	\$75,000	\$120,534	\$100,000	\$120,000	+20.0%
Other	\$2,000	\$7,892	\$2,000	\$1,000	(50.0%)
Operating Assistance-State	\$327,424	\$245,741	\$24,300	\$140,000	+476.1%
Operating Assistance-Local (LTF)	\$8,623,976	\$7,618,873	\$8,674,248	\$8,731,300	+0.7%
Operating Assistance-Local (Other)	\$7,590	\$10,340	\$80,000	\$100,000	+25.0%
Demonstration Project, Ventura - Federal	\$58,410	\$61,339	\$270,900	\$287,500	+6.1%
Preventive Maintenance-Federal	\$2,224,300	\$2,224,300	\$1,850,141	\$1,678,500	(9.3%)
Paratransit Assistance-Federal	\$950,700	\$950,700	\$1,467,111	\$1,438,100	(2.0%)
Planning Assistance-Federal	\$516,000	\$516,000	\$600,000	\$582,000	(3.0%)
Operating Assistance- Federal ARRA	\$0	\$0	\$0	\$640,000	N/A
Other Fed Grants and Reimbursements	<u>85,000</u>	<u>172,979</u>	<u>52,000</u>	<u>0</u>	(100.0%)
TOTAL	\$16,174,300	\$15,187,283	\$16,471,100	\$16,874,100	+2.4%
<u>Operating Expenses</u>					
<u>Item</u>	<u>FY08-09 Budget</u>	<u>FY08-09 Actuals</u>	<u>FY09-10 Budget</u>	<u>FY10-11 Budget</u>	<u>% +/- FY11 vs. FY10</u>
<u>FUNCTIONAL CATEGORIES</u>					
Employee Support	10,457,000	10,373,836	10,835,100	11,430,300	+5.5%
Service/Supplies - Operational	4,589,100	3,907,960	4,679,500	4,526,400	(3.3%)
Service/Supplies - Support	<u>1,128,200</u>	<u>905,486</u>	<u>956,500</u>	<u>917,400</u>	(4.1%)
TOTAL	16,174,300	15,187,282	16,471,100	16,874,100	+2.4%
<u>DEPARTMENT CATEGORIES</u>					
Fixed Route	8,566,600	7,943,918	8,451,700	9,091,700	+7.6%
Paratransit	2,338,300	2,468,157	2,476,900	2,419,100	(2.3%)
Maintenance	2,578,200	2,218,968	2,796,400	2,835,200	+1.4%
Administration	2,015,400	1,877,421	1,897,100	1,780,300	(6.2%)
Planning and Marketing	<u>675,800</u>	<u>678,819</u>	<u>849,000</u>	<u>747,800</u>	(11.9%)
TOTAL	<u>16,174,300</u>	<u>15,187,282</u>	<u>16,471,100</u>	<u>16,874,100</u>	+2.4%
Total Fixed Route	13,836,000	12,719,126	13,994,200	14,455,000	+3.3%
Total Paratransit	<u>2,338,300</u>	<u>2,468,157</u>	<u>2,476,900</u>	<u>2,419,100</u>	(2.3%)
Farebox Recovery Ratio	<u>20%</u>	<u>21%</u>	<u>20%</u>	<u>19%</u>	
FRR Fixed Route	<u>22%</u>	<u>24%</u>	<u>22%</u>	<u>20%</u>	
FRR Paratransit	<u>7%</u>	<u>7%</u>	<u>7%</u>	<u>10%</u>	

TABLE 2

Gold Coast Transit
 Operating Budget – Functional Categories
 July 1, 2010 to June 30, 2011

<u>Employee Support</u>	<u>FY08-09 Budget</u>	<u>FY08-09 Actuals</u>	<u>FY09-10 Budget</u>	<u>FY10-11 Budget</u>	<u>% +/- FY11 vs. FY10</u>
Salaries	6,774,600	6,852,796	7,046,400	7,690,600	+9.1%
Health Benefits	876,300	1,022,315	1,071,800	1,194,800	+11.5%
WCI	1,000,000	863,721	981,300	753,000	(23.3%)
Retirement	1,422,000	1,318,633	1,344,600	1,453,300	+8.1%
Other Benefits	168,500	157,415	186,300	183,900	(1.3%)
Uniforms	47,600	39,127	52,000	52,000	+0.0%
Medical Exams	37,000	32,007	34,600	33,200	(4.0%)
Safety & Training	65,000	44,056	62,100	59,500	(4.2%)
Contracts	<u>66,000</u>	<u>43,767</u>	<u>56,000</u>	<u>10,000</u>	<u>(82.1%)</u>
TOTAL	\$10,457,000	\$10,373,836	\$10,835,100	\$11,430,300	+5.5%
	<u>FY08-09 Budget</u>	<u>FY08-09 Actuals</u>	<u>FY09-10 Budget</u>	<u>FY10-11 Budget</u>	<u>% +/- FY11 vs. FY10</u>
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	1,065,600	484,434	704,800	749,700	+6.4%
Tires	150,000	128,151	150,000	150,000	+0.0%
Repair Parts	522,000	389,880	535,000	535,000	+0.0%
CNG Fuel Station	50,000	39,531	175,000	170,000	(2.9%)
Paratransit Service Contract	2,043,500	2,168,632	2,241,000	2,200,000	(1.8%)
Contract Repair	287,000	147,985	265,000	271,000	+2.3%
Contract Services	204,000	214,369	321,000	168,500	(47.5%)
Supplies	119,000	175,268	134,700	135,700	+0.7%
Tickets/Schedules	76,000	87,384	73,500	51,500	(29.9%)
Marketing	52,000	52,521	51,000	74,000	+45.1%
OTC Facilities	10,000	9,973	10,500	11,000	+4.8%
Maintenance Agreements	10,000	11,462	18,000	10,000	(44.4%)
Warranty Recovery	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>+0.0%</u>
TOTAL	\$4,589,100	\$3,909,592	\$4,679,500	\$4,526,400	(3.3%)
	<u>FY08-09 Budget</u>	<u>FY08-09 Actuals</u>	<u>FY09-10 Budget</u>	<u>Proposed FY10-11 Budget</u>	<u>% +/- FY11 vs. FY10</u>
<u>Service/Supplies - Support</u>					
Telephones/Utilities	251,200	117,060	197,000	177,900	(9.7%)
Insurance	600,000	530,973	478,500	470,000	(1.8%)
Contract Services	60,000	68,661	64,000	64,000	+0.0%
Supplies	76,500	48,766	68,000	64,500	(5.1%)
Legal	27,500	46,645	38,000	37,000	(2.6%)
Audit	22,000	22,142	24,000	24,000	+0.0%
Officers & Directors	48,000	37,026	45,000	40,000	(11.1%)
Dues	<u>43,000</u>	<u>34,213</u>	<u>42,000</u>	<u>40,000</u>	<u>(4.8%)</u>
TOTAL	\$1,128,200	\$905,486	\$956,500	\$917,400	(4.1%)
GRAND TOTAL	\$16,174,300	\$15,188,914	\$16,471,100	\$16,874,100	+2.4%

TABLE 3

**Gold Coast Transit
Member Agency Funding Participation
July 1, 2010 to June 30, 2011**

<u>Member Agency</u>	<u>Fixed Route / Operations & Maintenance</u>	<u>Fixed Route / Administration & Planning</u>	<u>Paratransit</u>	<u>Gross Contribution for FY10-11</u>	<u>FY10-11 Member Share</u>
Ojai	\$89,521	\$10,861	\$21,695	\$122,077	1.35%
Oxnard	\$3,608,365	\$724,371	\$394,229	\$4,726,965	52.36%
Port Hueneme	\$185,106	\$37,478	\$69,557	\$292,141	3.24%
Ventura	\$2,114,917	\$511,678	\$255,202	\$2,881,797	31.93%
Ventura County	\$814,955	\$159,848	\$28,517	\$1,003,320	11.12%
TOTAL	\$6,812,864	\$1,444,236	\$769,200	\$9,026,300	100.00%
Prior Year	\$8,354,259	n/a	\$788,789	\$9,143,048	100.00%

<u>Member Agency</u>	<u>Gross Contribution for FY10-11</u>	<u>LESS - Net Carryover applied to FY10-11</u>	<u>Calculated Member Contribution for FY10-11</u>	<u>LESS - Non-TDA Commitments for FY10-11</u>	<u>NET Member TDA Allocation for FY10-11</u>	<u>FY10-11 Contribution Percentage</u>	<u>Adjusted FY10-11 Vote Weight</u>
Ojai	\$122,077	(\$21,649)	\$100,428	\$0	\$100,428	1.35%	1.42%
Oxnard	\$4,726,965	(\$469,805)	\$4,257,160	(\$275,000)	\$3,982,160	52.36%	49.99%
Port Hueneme	\$292,141	(\$32,908)	\$259,233	(\$20,000)	\$239,233	3.24%	3.40%
Ventura	\$2,881,797	(\$200,113)	\$2,681,684	\$0	\$2,681,684	31.93%	33.52%
Ventura County	\$1,003,320	(\$142,914)	\$860,406		\$860,406	11.12%	11.67%
TOTAL	\$9,026,300	(\$867,389)	\$8,158,911	(\$295,000)	\$7,863,911	100.00%	100.00%
Prior Year	\$9,143,048	(\$552,672)	\$8,590,376	(\$400,000)	\$8,190,376		

* 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."

TABLE 4
Gold Coast Transit
Operating Expenses
July 1, 2010 to June 30, 2011

<u>Item</u>	<u>FY08-09</u> <u>Budget</u>	<u>FY08-09</u> <u>Actuals</u>	<u>FY09-10</u> <u>Budget</u>	<u>FY10-11</u> <u>Budget</u>	<u>% +/-</u> <u>FY11 vs. FY10</u>
<u>FUNCTIONAL CATEGORIES</u>					
Employee Support	10,457,000	10,373,836	10,835,100	11,430,300	+5.5%
Service/Supplies - Operational	4,589,100	3,907,960	4,679,500	4,526,400	(3.3%)
Service/Supplies - Support	<u>1,128,200</u>	<u>905,486</u>	<u>956,500</u>	<u>917,400</u>	(4.1%)
TOTAL	16,174,300	15,187,282	16,471,100	16,874,100	+2.4%
<u>DEPARTMENT CATEGORIES</u>					
Fixed Route	8,566,600	7,943,918	8,451,700	9,091,700	+7.6%
Paratransit	2,338,300	2,468,157	2,476,900	2,419,100	(2.3%)
Maintenance	2,578,200	2,218,968	2,796,400	2,835,200	+1.4%
Administration	2,015,400	1,877,421	1,897,100	1,780,300	(6.2%)
Planning and Marketing	<u>675,800</u>	<u>678,819</u>	<u>849,000</u>	<u>747,800</u>	(11.9%)
TOTAL	<u>16,174,300</u>	<u>15,187,282</u>	<u>16,471,100</u>	<u>16,874,100</u>	+2.4%

Employees – Support

The proposed budget for employee support shows an increase of \$595,200 (5.5%). This increase comes exclusively from increases to the wage, benefit and pension line items. This increase is the result of having used incorrect service data in calculating the FY 2009-10 budget, resulting in these line items having been under budgeted in FY 2009-10. This issue was reported to the GCT Board in November 2009 and has been tracked all year. From an actual cost standpoint, this budget is premised on a freeze on wage and benefit increases for all GCT employees, although step and longevity increases as defined within the GCT Personnel Rules and MOUs will be honored. GCT's MOUs with SEIU Local 721 expire on October 31, 2010, and new agreements have not yet been negotiated.

GCT's workers' compensation coverage is obtained through the County Supervisors Association of California Excess Insurance Authority (CSAC-EIA). The budget for FY 2009-10 was based on estimates received from CSAC-EIA; the eventual actual cost was much lower, providing a budget underrun in FY 2009-10 and significant year-to-year decrease for the FY 2010-11 budget.

GCT anticipates maintaining a headcount of approximately 99 bus operators during FY2010-11. 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.

Table 5 shows the Employee Support expense budget.

TABLE 5
Gold Coast Transit
Employee Support Expenses
July 1, 2010 to June 30, 2011

<u>Employee Support</u>	<u>FY08-09</u> <u>Budget</u>	<u>FY08-09</u> <u>Actuals</u>	<u>FY09-10</u> <u>Budget</u>	<u>Proposed</u> <u>Budget</u> <u>FY10-11</u>	<u>% +/-</u> <u>FY11 vs. FY10</u>
Salaries	6,774,600	6,852,796	7,046,400	7,690,600	+9.1%
Health Benefits	876,300	1,022,315	1,071,800	1,194,800	+11.5%
WCI	1,000,000	863,721	981,300	753,000	(23.3%)
Retirement	1,422,000	1,318,633	1,344,600	1,453,300	+8.1%
Other Benefits	168,500	157,415	186,300	183,900	(1.3%)
Uniforms	47,600	39,127	52,000	52,000	+0.0%
Medical Exams	37,000	32,007	34,600	33,200	(4.0%)
Safety & Training	65,000	44,056	62,100	59,500	(4.2%)
Contracts	<u>66,000</u>	<u>43,767</u>	<u>56,000</u>	<u>10,000</u>	<u>(82.1%)</u>
TOTAL	\$10,457,000	\$10,373,836	\$10,835,100	\$11,430,300	+5.5%

Service/Supplies – Operational

The proposed budget for Service/Supplies - Operational shows a reduction of \$153,100 (3.3%). The significant reduction in contract services reflects substantial completion of a number of transit studies undertaken during FY 2009-10; some of these projects were grant funded. GCT also shows a reduction in the cost of producing schedules as the result of bringing design activities in-house. Fuel and lubricant cost shows a 6.4% increase resulting from the December 31, 2009 expiration of the alternative fuel credit, which reduced GCT's fuel cost by approximately \$100,000 per quarter. This is partially offset by a reduced projected unit cost for natural gas. GCT uses as a budget premise a 12-month rolling average of natural gas prices. The cost of contracted paratransit services is projected to decrease 1.8% in FY 2010-11 as a result of decreased projected ridership compared to FY2009-10 budget projections.

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.

Table 6 shows the Operational Service/Supply expense budget.

TABLE 6
Gold Coast Transit
Service/Supplies – Operational Expenses
July 1, 2010 to June 30, 2011

<u>Service/Supplies - Operational</u>	<u>FY08-09</u> <u>Budget</u>	<u>FY08-09</u> <u>Actuals</u>	<u>FY09-10</u> <u>Budget</u>	<u>Proposed</u> <u>Budget</u> <u>FY10-11</u>
Fuel/Lubricants	1,065,600	484,434	704,800	749,700
Tires	150,000	128,151	150,000	150,000
Repair Parts	522,000	389,880	535,000	535,000
CNG Fuel Station	50,000	39,531	175,000	170,000
Paratransit Service Contract	2,043,500	2,168,632	2,241,000	2,200,000
Contract Repair	287,000	147,985	265,000	271,000
Contract Services	204,000	214,369	321,000	168,500
Supplies	119,000	175,268	134,700	135,700
Tickets/Schedules	76,000	87,384	73,500	51,500
Marketing	52,000	52,521	51,000	74,000
OTC Facilities *	10,000	9,973	10,500	11,000
Maintenance Agreements	10,000	11,462	18,000	10,000
Warranty Recovery	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	\$4,589,100	\$3,909,592	\$4,679,500	\$4,526,400

* OTC - Oxnard Transportation Center

Service/Supplies – Support

The proposed budget for service/supplies support shows a decrease of \$39,100 (4.1%) from FY2009-10. 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; this is based on a recent change to our billing category specifically intended to reduce cost based on our first-year operational usage pattern.

Budgeted costs for general liability and property damage insurance will decrease slightly for FY 2010-11 after experiencing a 20% decrease in the prior year's budget. GCT belongs to the California Transit Insurance Pool (CalTIP), a joint powers insurance authority consisting of thirty-four member transit operators joining together to provide more stable, cost-effective risk financing and risk management services. For FY 2010-11, just as in FY 2009-10, GCT benefited from a credit for prior years having closed with lower-than-expected claims. Other line items have been reduced in an overall effort to reduce GCT's administrative costs.

Table 7 shows the Support Service and Supply expense budget.

TABLE 7

**Gold Coast Transit
Service/Supplies – Support Expenses
July 1, 2010 to June 30, 2011**

<u>Service/Supplies - Support</u>	<u>FY08-09</u>	<u>FY08-09</u>	<u>FY09-10</u>	<u>Proposed</u>	<u>% +/- FY11 vs. FY10</u>
	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget FY10-11</u>	
Telephones/Utilities	251,200	117,060	197,000	177,900	(9.7%)
Insurance	600,000	530,973	478,500	470,000	(1.8%)
Contract Services	60,000	68,661	64,000	64,000	+0.0%
Supplies	76,500	48,766	68,000	64,500	(5.1%)
Legal	27,500	46,645	38,000	37,000	(2.6%)
Audit	22,000	22,142	24,000	24,000	+0.0%
Officers & Directors	48,000	37,026	45,000	40,000	(11.1%)
Dues	<u>43,000</u>	<u>34,213</u>	<u>42,000</u>	<u>40,000</u>	<u>(4.8%)</u>
TOTAL	\$1,128,200	\$905,486	\$956,500	\$917,400	(4.1%)

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 backlog of funded capital projects and the annual ten-year capital project plan as well as the availability of federal funds (both from Section 5307 and CMAQ), the approved annual allocation to the GCT Capital Reserve fund in both FY 2007-08 and FY2008-09 was \$1,200,000. In FY2009-10 and again in FY2010-11, annual allocations to the GCT Capital Reserve fund were deferred in their entirety in response to the ongoing economic recession and state funding crisis.

In FY 2009-10 GCT received approval for a grant funded under the the American Recovery and Reinvestment Act (ARRA), commonly known as stimulus funds. The ARRA program was initiated by the federal government to fund infrastructure investments and create jobs. Stimulus funds do not require may local match, so they may be used to fund 100% of a project.

Proposed Capital Projects

There are no new capital projects in the FY 2010-11 capital budget, however numerous projects funded in prior years are programmed for FY2010-11. In FY 2010-11 GCT received over \$7.5 million in ARRA funding, \$5.9 million of which was programmed for capital improvement or transit enhancement projects. ARRA projects worth over \$2.8 million are still pending. 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 Assocation of Governments (SCAG). Additionally, GCT anticipates receiving state grant funds authorized under Proposition 1B, for security measures, facility capital improvements and support equipment; such funding may also be used as local match for federal grant-funded projects.

Most capital projects cannot be completed within the year of their approval. In recent years funds have not become available until GCT's fiscal year is nearly complete. Federal funds may remain available for a reasonable period until the project is completed, and matching funds are placed in a separate Capital Reserve Fund.

Table 8 shows a list of priority projects funded by existing or pending grants that are programmed and could be initiated in FY 2010-11.

TABLE 8
Gold Coast Transit
Proposed Capital Projects with Identified Funding

<u>Project</u>	<u>Federal</u>	<u>Local Match</u>	<u>Total</u>
<u>PROJECTS PLANNED USING PREVIOUS GRANTS</u>			
Purchase Scheduling Run-Cut System	\$120,000	\$30,000	\$150,000
Replace Bus Vacuum System	\$160,000	\$40,000	\$200,000
Replace Maintenance & Finance MIS Systems	\$480,000	\$120,000	\$600,000
Rebuild / Refurbish NABI Buses	\$358,000	\$89,500	\$447,500
GCT Facility Renovation - Supplemental Funds	\$41,000	\$10,200	\$51,200
New Facility Requirements Planning	<u>\$475,000</u>	<u>\$118,750</u>	<u>\$593,750</u>
	\$1,634,000	\$408,450	\$2,042,450
<u>Project</u>	<u>Federal</u>	<u>Local Match</u>	<u>Total</u>
<u>FY 2009-10 - ARRA Funded</u>			
Replacement Supervisor Vans	\$112,000	\$0	\$112,000
Upgrade Fareboxes	\$550,000	\$0	\$550,000
Transit Enhancements	\$101,723	\$0	\$101,723
ADA Scale	\$5,000	\$0	\$5,000
Renovate Existing GCT Facility	<u>\$2,091,000</u>	<u>\$0</u>	<u>\$2,091,000</u>
	\$2,859,723	\$0	\$2,859,723
<u>PROJECTS PLANNED USING APPROVED / CURRENTLY UNFUNDED STATE BONDS (PROP 1B)</u>			
Surveillance/Security Upgrades (State Prop 1B Funds)			\$100,000
Drivecams for Service Vehicles (State Prop 1B Funds)			\$30,000
Renovate Existing GCT Facility (Additional Funding)			\$1,000,000
On-Board Voice Annunciators			\$500,000
ADA Call Back System			\$70,000
Operator Training Performance Module			<u>\$250,000</u>
			\$1,950,000

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. Although most of GCT's major capital investments are made using grant funding, many grants (including most Federal grants) require the agency to provide matching funds; and
- Long lead times required for certain tasks are understood and accommodated. The development of specifications and the required competitive procurement process for selecting a bus manufacturer can easily take six to twelve months. 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 2009-10 was \$2,480,894. Funds have been disbursed for completing construction of the new CNG fuel station, procurement of new fixed route buses and new service vehicles, bus refurbishment activities, business systems upgrade projects, and other capital projects. A capital reserve contribution would typically be made prior to the end of the fiscal year, however the contributions for both FY 2009-10 and FY 2010-11 were deferred in their entirety in response to the ongoing economic recession and state funding crisis. The projected level of the capital reserve fund at the start of FY 2010-11 is approximately \$2,300,000.

The total projected cost for all items on the Ten-Year Capital Project Plan is \$117 million, which includes \$6.8 million of projects listed in Table 9 for which funding has been secured or identified. The \$110.1 million for which funding has not yet been identified includes \$50.6 million for a new Maintenance and Operations Facility. The projected local match needed for all projects in the ten-year plan is \$18.4 million

Table 9 reflects the Ten-Year Capital Project Plan, excluding currently-funded items listed in Table 8.

**TABLE 9
Ten-Year Capital Project Plan
FY 2010-11 through FY 2019-20**

<u>Project</u>	<u>Federal</u>	<u>Local Match</u>	<u>Total</u>
<u>FY 2010-11</u>			
None			
<u>FY 2011-12</u>			
Purchase Real Property for New Facility	\$8,000,000	\$2,000,000	\$10,000,000
Replace Maintenance Vehicles	\$72,000	\$18,000	\$90,000
Replace Maintenance Equipment	\$80,000	\$20,000	\$100,000
Replace Transit Buses (6 NABIs)	\$2,640,000	\$660,000	\$3,300,000
Replace Paratransit Vehicles (24)	<u>\$2,336,000</u>	<u>\$304,000</u>	<u>\$2,640,000</u>
	\$13,128,000	\$3,002,000	\$16,130,000

<u>Project</u>	<u>Federal</u>	<u>Local Match</u>	<u>Total</u>
<u>FY 2012-13</u>			
New Facility Design, Engrg. & Environmental	\$6,400,000	\$1,600,000	\$8,000,000
Replace Transit Buses (3 NABIs)	\$1,527,000	\$198,000	\$1,725,000
Refurbish (Mid-life) New Flyer Buses (26)	<u>\$2,496,000</u>	<u>\$624,000</u>	<u>\$3,120,000</u>
	\$10,423,000	\$2,422,000	\$12,845,000
<u>FY 2013-14</u>			
New Facility Construction Phase 1	\$8,000,000	\$2,000,000	\$10,000,000
Replace Transit Buses (2 NABIs)	\$960,000	\$240,000	\$1,200,000
Expansion Transit Buses (2)	\$1,062,000	\$138,000	\$1,200,000
Replace Office Equipment	<u>\$60,000</u>	<u>\$15,000</u>	<u>\$75,000</u>
	\$10,082,000	\$2,393,000	\$12,475,000
<u>FY 2014-15</u>			
New Facility Construction Phase 2	\$9,600,000	\$2,400,000	\$12,000,000
Refurbish (Mid-life) 2009 NABI 35-ft. Transit Buses	\$936,000	\$234,000	\$1,170,000
Expansion Transit Buses (2)	\$1,106,000	\$144,000	\$1,250,000
Replace Service Vehicles (7)	<u>\$196,000</u>	<u>\$49,000</u>	<u>\$245,000</u>
	\$11,838,000	\$2,827,000	\$14,665,000
<u>FY 2015-16</u>			
New Facility Construction Phase 3 (Final)	\$8,000,000	\$2,000,000	\$10,000,000
Replace Paratransit Vehicles (24)	\$2,974,000	\$386,000	\$3,360,000
Refurbish (Mid-life) 2010 NABI 35-ft. Transit Buses	\$896,000	\$224,000	\$1,120,000
Expansion Transit Bus (1)	\$520,000	\$130,000	\$650,000
Replace Service Vehicles (4)	<u>\$115,200</u>	<u>\$28,800</u>	<u>\$144,000</u>
	\$12,505,200	\$2,768,800	\$15,274,000
<u>FY 2016-17</u>			
Expansion Transit Bus (1)	\$597,000	\$78,000	\$675,000
Replace Service Vehicles (3)	\$86,400	\$21,600	\$108,000
Replace Office Equipment	<u>\$120,000</u>	<u>\$30,000</u>	<u>\$150,000</u>
	\$803,400	\$129,600	\$933,000
<u>FY 2017-18</u>			
Replace 26 40-ft. New Flyer Buses	\$16,107,000	\$2,093,000	\$18,200,000
Expansion Transit Bus (1)	\$620,000	\$80,000	\$700,000
Replace Maintenance Equipment	<u>\$200,000</u>	<u>\$50,000</u>	<u>\$250,000</u>
	\$16,927,000	\$2,223,000	\$19,150,000
<u>FY 2018-19</u>			
Replace 9 35-ft. NABI Buses	\$5,775,000	\$750,000	\$6,525,000
Expansion Transit Bus (1)	\$642,000	\$83,000	\$725,000
Facility Upgrades	<u>\$400,000</u>	<u>\$100,000</u>	<u>\$500,000</u>
	\$6,817,000	\$933,000	\$7,750,000
<u>FY 2019-20</u>			
Replace 8 35-ft. NABI Buses	\$5,310,000	\$690,000	\$6,000,000
Replace Paratransit Vehicles (24)	\$3,292,000	\$428,000	\$3,720,000
Expansion Transit Bus (1)	\$664,000	\$86,000	\$750,000
Facility Upgrades	<u>\$400,000</u>	<u>\$100,000</u>	<u>\$500,000</u>
	\$9,666,000	\$1,304,000	\$10,970,000

Depreciation

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

TABLE 10

**Gold Coast Transit
Depreciation Schedule
July 1, 2010 to June 30, 2011**

Depreciation

<u>Item</u>	<u>FY08-09 Budget</u>	<u>FY08-09 Actuals</u>	<u>FY09-10 Budget</u>	<u>Proposed Budget FY10-11</u>
Facility	371,071	357,386	599,773	528,379
Buses	1,349,992	1,175,647	1,151,533	1,790,474
Other Vehicles	56,548	53,710	64,434	86,310
Shop Equipment	734	481	12,569	0
Office/Other Equipment	37,440	41,534	28,090	119,023
OTC Improvements	4,244	4,244	4,244	4,244
Paratransit Revenue Vehicles	360,124	166,465	459,791	555,064
Paratransit Other Equipment	<u>1,724</u>	<u>17,621</u>	<u>17,621</u>	<u>18,121</u>
Total Depreciation	\$2,181,877	\$1,817,089	\$2,338,055	\$3,101,614

OPERATING REVENUE

Funding for GCT operating activities is derived from several sources, including passenger fares; local, state and federal funds; bus advertising sales and interest income and gain on disposed property. Table 11 reflects the revenue for operating activities in FY 2010-11.

TABLE 11

**Gold Coast Transit
Operating and Planning Revenue
July 1, 2010 to June 30, 2011**

	<u>FY08-09 Budget</u>	<u>FY08-09 Actuals</u>	<u>FY09-10 Budget</u>	<u>Proposed Budget FY10-11</u>
<u>Fare Revenue</u>				
Passenger Fares-Fixed Route	2,749,800	2,709,665	2,738,400	2,671,700
Passenger Fares-ADA Service	159,100	161,476	177,000	169,000
Special Transit Fares - Member Gov'ts	<u>335,000</u>	<u>335,000</u>	<u>400,000</u>	<u>305,000</u>
	\$3,243,900	\$3,206,142	\$3,315,400	\$3,145,700
<u>Other Operating Revenue</u>				
Local Support	8,631,566	7,629,213	8,754,248	8,831,300
Interest	60,000	52,444	35,000	10,000
Advertising Income	75,000	120,534	100,000	120,000
Other	2,000	7,892	2,000	1,000
Federal Capital Preventive Maintenance	2,224,300	2,224,300	1,850,141	1,678,500
Federal Capital Paratransit Assistance	950,700	950,700	1,467,111	1,438,100
Demonstration Project - Federal CMAQ	58,410	61,339	270,900	287,500
Operating Assistance-State	327,424	245,741	24,300	140,000
Planning Assistance-Federal	516,000	516,000	600,000	582,000
Operating Assistance- Federal ARRA	0	0	0	640,000
Other Fed Grants & Reimbursements	<u>85,000</u>	<u>172,979</u>	<u>52,000</u>	<u>0</u>
	\$12,930,400	\$11,981,142	\$13,155,700	\$13,728,400
Total Operating Revenues	\$16,174,300	\$15,187,283	\$16,471,100	\$16,874,100

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

Passenger Fares

Passenger fare revenues for FY 2009-10 are anticipated to finish the year below budgeted levels. Fixed route fares are forecast to be 5.5% less than the FY 2009-10 budgeted amount, attributable to fewer boardings and lower-than-anticipated revenue per boarding. Paratransit fares are forecast to be 8.8% less than the FY 2009-10 budgeted amount, attributable to lower-than-anticipated boardings.

The FY 2010-11 fixed route passenger fare revenue budget is 2.4% less than the FY 2008-09 budget and 3.25% more than our current FY 2009-10 forecast. This budget factors in a forecast of no increase or decrease in boardings from the current FY 2009-10 trend coupled with an increase in revenue per boarding to account for the fare increase implemented on January 24, 2010. The FY 2010-11 paratransit passenger fare revenue budget is 4.5% less than the FY 2008-09 budget and 4.7% more than our current FY 2009-10 forecast. This budget factors in a 3.3% forecasted increase in boardings from the current FY 2009-10 trend coupled with an increase in revenue per boarding to account for the fare increase.

The FY 2010-11 budget includes local non-TDA funding from the cities of Oxnard and Port Hueneme for fixed route service guarantees and paratransit service guarantees. Also included are fare subsidies provided by a grant from the VCAPCD for the purpose of encouraging increased use of public transit. These non-TDA funds are considered special transit fares and are included in the computation of GCT's farebox recovery ratio.

The passenger fare structure for Gold Coast Transit increased in January 2010 for the first time since July 2003. The Board approved in December 2009 a two-phase fare increase. The first phase was an 8% increase implemented in January 2010; the second phase is an 11% increase to be implemented in July 2011.

Table 12 shows the GCT passenger fare structure in place on July 1, 2010.

TABLE 12

**Gold Coast Transit
Passenger Fare Structure
July 2010**

FIXED ROUTE

Cash Fares (One Way)

Adult	\$1.35
Youth (through age 18)	\$1.35
Seniors*	\$0.65
Medicare (with Medicare Card)	\$0.65
Disabled (ADA card or GCT I.D.)	\$0.65
Seniors 75+ (with GCT I.D. – restricted hours)	Free
Seniors 75+ (with GCT I.D. – am and pm rush hours)	\$0.65
Children under 45" tall (when accompanied by paid fare)	Free
Day Pass (One-Day/Unlimited Boardings) **	\$3.25
Day Pass for Seniors/Medicare/Disabled **	\$1.60

Multi-Ride Ticket or Monthly Pass

Adult	
10-Ride	\$12.50
20-Ride	\$23.50
30-Ride	\$32.50
Monthly Pass (cost per ride based on 50 rides)	\$44.50
Youth	
10-Ride	\$10.00
20-Ride	\$18.50
30-Ride	\$26.00
Monthly Pass (cost per ride based on 50 rides)	\$35.00
Senior/Disabled	
10-Ride	\$6.00
20-Ride	\$11.00
30-Ride	\$15.75
Monthly Pass (cost per ride based on 50 rides)	\$19.50

GCT ACCESS (Paratransit)

	\$2.70
Cash Fare (one-way) - ADA Certified or Senior*	
Senior Nutrition (registered with County program)	Donation
Book of Ten Tickets - ADA Certified or Senior*	\$27.00

- * 65 years of age and older w/proof of age
- ** Based on average of three (3) rides per Day Pass

Fixed Route Ridership

Boardings in FY 2009-10 are trending slightly less than in FY 2008-09, after four years of steady ridership increases. Projections are that GCT will have 3.49 million boardings in FY 2009-10, 2.2% fewer than in FY 2008-09. The trend may be improving, however, as ridership for the three-month period from February through April is up 3.4% from the same period in the prior year.

For FY 2010-11, the budget premise is that ridership will be 3,488,600, essentially flat compared to FY 2009-10 projections. With the recent decline in gasoline prices, the slow economic recovery, a full year of the impact of the fare increase, and continuation of service cuts implemented in April, 2010, ridership will likely remain near the projections made for the previous fiscal year. Lower gas prices negatively affect ridership, as has the slow pace of the economic recovery. On the positive side, service improvements planned for the coming year, including the new Route 19 – Gonzales/Lombard/OTC and the modified Route 6 – Oxnard/Ventura/Main Street may result in modest ridership increases as more popular destinations receive new or improved service. Early feedback from residential areas and business areas along Gonzales Road and in the Lombard area are very positive, indicating a good potential for numerous new bus riders in these areas.

Paratransit Ridership

Paratransit boardings for FY 2009-10 are running 5.1% behind the prior year, after two consecutive years of ridership growth (4.8% in FY 2007-08 and 3.7% in FY 2008-09). This trend may be accelerating, as ridership for the three-month period from February through April is down 8.8% from the same period in the prior year. Boardings are forecasted to finish FY 2009-10 at a 5.6% decrease from the previous year.

For FY 2010-11, the budget premise is that there will be 81,000 boardings, an increase of 3.7% from the FY 2009-10 forecast, but still 2% fewer than in 2008-09. During this slow economic recovery, ridership on ACCESS has continued to decline for a number of reasons. Senior centers have lower attendance for their classes and events, economic reasons are forcing passengers to reduce their spending and take fewer discretionary trips. Many passengers that were using ACCESS for transportation to school have stopped attending school, changed their schedules, or the classes have been offered on line. A number of ACCESS passengers lost their jobs as part of workforce reductions, eliminating those trips. Recent trends show more individuals using ACCESS each

month, but everyone is riding less often. A fiscally moderate forecast for FY 2010-11 shows an increase over the current year, but still lower than two years ago when the economy was stronger.

Farebox Recovery Ratio

The *California Code of Regulations, § 6633.2* requires that a transit service claimant in an urbanized area, to qualify for allocation of TDA funds, must have a systemwide ratio of fare revenues to operating cost of at least twenty percent (20%), or that the claimant realize a farebox recovery ratio (FBRR) of 20% for fixed route service and 10% for paratransit service. Historically GCT has used the 20% overall standard.

Beginning in FY 2007-08, GCT has received from its JPA member cities special transit fare revenue in the form of route guarantee funds from non-TDA funding sources. This fare revenue may be included in the FBRR calculation and helps GCT achieve FBRR compliance. In FY 2007-08, GCT's FBRR was 22%. With increasing route guarantees from our members continuing to supplement on-board fare sales, the FBRR for FY08-09 was 21.1% and FY 2009-10 systemwide FBRR is forecast to be 20.1%

For FY 2010-11, GCT's budget premise is to comply with the FBRR requirement by achieving both a 20% FBRR for fixed route service and a 10% FBRR for paratransit service. This budget projects to meet these goals by supplementing on-board farebox receipts with local non-TDA funds in the form of route guarantees for fixed route service and service guarantees for paratransit service to support the provision of such service to non-ADA eligible citizens. GCT also has budgeted \$10,000 in non-TDA fare revenue from a grant received from the Ventura County Air Pollution Control District (VCAPCD) for the purpose of encouraging increased use of public transit. In total, the FY 2010-11 budget includes guarantees of \$227,000 for fixed route and \$78,000 for paratransit, a total of \$305,000. These guaranteed revenues will allow GCT to meet the FBRR standard.

Table 13 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.

TABLE 13

**Gold Coast Transit
Ridership, Revenue and Farebox Return
FY 2001-02 to FY 2010-11**

Fiscal Year	(1) Fixed Route			(2) Paratransit			(3) Total
	Unlinked	Farebox	Farebox	One Way	Farebox	Farebox	Farebox
	Passenger Trips		Return	Trips		Return	Return
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	\$2,931,149 *	23.85%	79,686	\$162,457	9.17%	22.00% *
FY 2008-09	3,568,028	\$3,044,665 *	23.95%	82,655	\$161,476	6.54%	21.11% *
FY 2009-10 (Projected)	3,490,000	\$2,984,000 *	22.43%	78,075	\$162,000	7.16%	20.10% *
FY 2010-11 (Budgeted)	3,488,600	\$2,898,700 *	20.05%	81,000	\$247,000 *	10.23%	18.80% * #

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

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

Interest and Other Income

Interest is earned on temporary investments with the State of California Local Agency Investment Fund (LAIF) and on money market and operating funds held at Santa Barbara Bank & Trust. Interest revenue for FY 2009-10 was budgeted at \$35,000, but will finish somewhat lower due to much lower-than-expected interest rates. The budget for FY 2010-11 is \$10,000, as interest rates are expected to remain very low and GCT's cash position is anticipated to be less favorable.

Advertising Income

GCT initiated an internally-managed commercial bus advertising sales program during FY 2006-07, and has successfully attracted advertising contracts from both local and national companies. Projected revenues for FY2009-10 are forecast to be approximately \$140,000. Anticipating that the recession will result in a modest drop in demand for advertising space, the budget for FY 2010-11 is \$120,000.

Other revenue is also received from the sale of surplus property. The other revenue for FY 2010-11 is budgeted to be \$1,000.

State Grant Funds

For FY 2009-10, GCT received an \$80,000 Community-Based Transportation Planning Grant from the California Department of Transportation (Caltrans) to fund the Vineyard Avenue Area Corridor Study. This project is underway, however much of the reimbursable cost of this project is budgeted to carryover into FY 2010-11.

Local Grant Funds

In FY 2009-10, GCT for the first time received a \$50,000 grant from the Ventura County Air Pollution Control District (VCAPCD) to promote countywide use of public transit as alternative to using private automobiles. As the largest public transit provider in the county, GCT will coordinate the use of these funds for marketing and fare subsidy programs.

For FY 2010-11 GCT anticipates again receiving a \$50,000 grant from the VCAPCD, and both the revenue and expenses are premised in this budget.

State Transit Assistance Funds

State Transit Assistance (STA) Funds have historically been allocated to GCT through VCTC. For FY 2009-10, in response to the state budget crisis, the state eliminated STA funds. In March 2010, in response to a successful lawsuit from the California Transit Association, the state passed a revised gas tax which reinstated the STA. Based on guidance from VCTC, GCT has budgeted to receive \$140,000 in STA funds in FY 2010-11.

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. As the FY 2010-11 budget was developed, Congress had not yet passed an FY2011 authorization bill. Based on guidance from VCTC, GCT has estimated its Section 5307 funding allocation for FY 2010-11 to be \$3,216,600, to be allocated as follows:

- \$ 600,000 for administration projects
- \$ 938,100 for paratransit assistance
- \$1,678,500 for preventive maintenance

By comparison, GCT's Section 5307 funding allocation was \$3,297,552 for FY 2009-10 and \$3,580,319 for FY 2008-09.

For FY 2010-11 transit operations, GCT will make substantial use of funding allocated from the ARRA/Stimulus Act. GCT has budgeted \$500,000 of ARRA funding to FY

2010-11 ADA paratransit services and \$640,000 of ARRA funding to FY 2010-11 fixed route operations. Unlike most federal grants, ARRA funding has no local match requirement. GCT will also claim \$287,500 in FTA Congestion Mitigation and Air Quality (CMAQ) Improvement Program funds in FY 2010-11 to operate the second year of a three-year demonstration service in Ventura (the Market-Valentine Shuttle).

Table 14 summarizes grant funds in the FY 2009-10 operating budget.

TABLE 14

Proposed Grant Funded Activities in the FY 2010-11 Operating Budget

<u>Planning Assistance - Federal</u>	<u>Total</u>	<u>Federal</u>	<u>Local</u>
Transit Service Administration and Support	\$ 375,000	\$ 291,000	\$ 75,000
Marketing & Passenger Awareness Activities	\$ 325,000	\$ 252,200	\$ 65,000
Coordinated Paratransit Administration	\$ 50,000	\$ 38,800	\$ 10,000
<u>Capital Assistance - Federal</u>			
ADA Paratransit Service	\$ 1,208,889	\$ 938,100	\$ 241,778
Preventive Maintenance	\$ 2,098,125	\$ 1,678,500	\$ 419,625
TOTAL 5307	\$ 4,057,014	\$ 3,198,600	\$ 811,403
<u>CMAQ - Federal</u>			
Market-Valentine Shuttle Demonstration Service	\$ 287,500	\$ 287,500	\$ -
<u>ARRA - Federal</u>			
Fixed Route Operations Support	\$ 640,000	\$ 640,000	
ADA Paratransit Service	\$ 500,000	\$ 500,000	\$ -
	\$ 1,140,000	\$ 1,140,000	\$ -
<u>STATE / LOCAL ASSISTANCE</u>			
<u>STA</u>			
State Transit Assistance	\$ 140,000	\$ 140,000	\$ -
<u>Caltrans</u>			
Community-Based Transportation Planning Grant (Carryover from FY 2009-10)	\$ 75,000	\$ 60,000	\$ 15,000
VCAPCD Countywide Public Transit Awareness Grant	\$ 50,000	\$ 50,000	\$ -

Local Assistance

Local Transportation Funds (LTF) is the single largest source of GCT funding for operating costs. The funds are generated through a state quarter-cent sales tax authorized by the state Transportation Development Act (TDA). LTF funds are allocated by VCTC to local jurisdictions through a formula set by VCTC. LTF funds

must first be used to fund transit. When there are no unmet transit needs, as determined by VCTC, unused LTF funds are available for local use on street and road projects. LTF funds are used to fund GCT and 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.

LTF funds act as the balancing factor in the budget and also may be used as 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 LTF 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 2010-11 LTF revenues available to GCT's member agencies are projected to be less than FY 2009-10 and significantly less than FY 2008-09. This reduction is the result of historically low sales tax receipts.

After the financial records are audited at the end of any fiscal year, any unspent local transit assistance funds are identified and held as carryover for credit to the member agencies TDA allocation. Historically these funds have been credited to the member agencies in the year following completion of the audit; for example carryover from FY 2008-09 will be returned as a credit on the FY 2010-11 budget.

The carryover from FY 2008-09 was \$1,005,104. The process was modified this year when the City of Ventura requested that a portion of its FY 2008-09 carryover funds be returned in during FY 2009-10 to offset a shortfall in TDA funds that left them without funds to meet their LTF commitment. The GCT Board of Directors approved a service reduction and budget change which reduced the FY 2009-10 operating budget by \$68,800, returned the \$68,800 to the members as part of their carryover credit in FY 2010-11, and allowed the City of Ventura to pull ahead \$206,515 in FY 2008-09 carryover funds for use in FY 2009-10. Including all the above changes, the credit

allocated for FY 2010-11 is \$867,389. The breakdown by member is listed in the second column of the lower chart of Table 17.

Table 15 shows the percentage apportionment of GCT's LTF revenues among our member jurisdictions from FY 2007-08 to FY 2010-11.

TABLE 15
Gold Coast Transit
Member Agency Local Funding Allocations by Service Mode
FY 2007-08 through FY 2010-11

<u>Fixed Route Allocation</u>	<u>FY2007-08</u>	<u>FY2008-09</u>	<u>FY2009-10</u>	<u>FY2010-11</u>
Ojai	1.71%	1.79%	0.75%	1.22%
Oxnard	46.88%	45.70%	50.16%	52.46%
Port Hueneme	2.70%	2.63%	2.60%	2.70%
Ventura	35.91%	36.53%	35.43%	31.81%
Ventura County	<u>12.80%</u>	<u>13.35%</u>	<u>11.07%</u>	<u>11.81%</u>
	100.00%	100.00%	100.00%	100.00%
<u>Paratransit Allocation</u>	<u>FY2007-08</u>	<u>FY2008-09</u>	<u>FY2009-10</u>	<u>FY2010-11</u>
Ojai	2.75%	3.01%	2.75%	2.82%
Oxnard	50.39%	52.38%	49.39%	51.25%
Port Hueneme	9.24%	9.40%	13.18%	9.04%
Ventura	35.23%	32.65%	29.84%	33.18%
Ventura County	<u>2.39%</u>	<u>2.56%</u>	<u>4.84%</u>	<u>3.71%</u>
	100.00%	100.00%	100.00%	100.00%
<u>Overall Allocation</u>	<u>FY2007-08</u>	<u>FY2008-09</u>	<u>FY2009-10</u>	<u>FY2010-11</u>
Ojai	1.75%	1.91%	0.92%	1.35%
Oxnard	46.96%	46.31%	50.09%	52.36%
Port Hueneme	3.00%	3.28%	3.51%	3.24%
Ventura	35.99%	36.20%	34.95%	31.93%
Ventura County	<u>12.30%</u>	<u>12.30%</u>	<u>10.53%</u>	<u>11.12%</u>
	100.00%	100.00%	100.00%	100.00%

Table 16 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 2010-11.

TABLE 16

**Gold Coast Transit
Member Agency Local Funds Allocation
July 1, 2010 to June 30, 2011**

<u>Member Agency</u>	<u>Fixed Route / Operations & Maintenance</u>	<u>Fixed Route / Administration & Planning</u>	<u>Paratransit</u>	<u>Gross Contribution for FY10-11</u>	<u>FY10-11 Member Share</u>
Ojai	\$89,521	\$10,861	\$21,695	\$122,077	1.35%
Oxnard	\$3,608,365	\$724,371	\$394,229	\$4,726,965	52.36%
Port Hueneme	\$185,106	\$37,478	\$69,557	\$292,141	3.24%
Ventura	\$2,114,917	\$511,678	\$255,202	\$2,881,797	31.93%
Ventura County	\$814,955	\$159,848	\$28,517	\$1,003,320	11.12%
TOTAL	\$6,812,864	\$1,444,236	\$769,200	\$9,026,300	100.00%
Prior Year	\$8,354,259	n/a	\$788,789	\$9,143,048	100.00%

<u>Member Agency</u>	<u>Gross Contribution for FY10-11</u>	<u>LESS - Net Carryover applied to FY10-11</u>	<u>Calculated Member Contribution for FY10-11</u>	<u>LESS - Non-TDA Commitments for FY10-11</u>	<u>NET Member TDA Allocation for FY10-11</u>	<u>FY10-11 Contribution Percentage</u>	<u>Adjusted FY10-11 Vote Weight</u>
Ojai	\$122,077	(\$21,649)	\$100,428	\$0	\$100,428	1.35%	1.42%
Oxnard	\$4,726,965	(\$469,805)	\$4,257,160	(\$275,000)	\$3,982,160	52.36%	49.99%
Port Hueneme	\$292,141	(\$32,908)	\$259,233	(\$20,000)	\$239,233	3.24%	3.40%
Ventura	\$2,881,797	(\$200,113)	\$2,681,684	\$0	\$2,681,684	31.93%	33.52%
Ventura County	\$1,003,320	(\$142,914)	\$860,406		\$860,406	11.12%	11.67%
TOTAL	\$9,026,300	(\$867,389)	\$8,158,911	(\$295,000)	\$7,863,911	100.00%	100.00%
Prior Year	\$9,143,048	(\$552,672)	\$8,590,376	(\$400,000)	\$8,190,376		

* 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."

APPENDIX A – Operational Unit Expenditures

TABLE 17

**Expenditures: Fixed Route Operating Budget
FY 2008-09 through FY 2010-11**

<u>FIXED ROUTE</u>	<u>FY08-09 Budget</u>	<u>FY08-09 Actuals</u>	<u>FY09-10 Budget</u>	<u>FY10-11 Budget</u>	<u>% +/- FY11 vs. FY10</u>
<u>Employees</u>					
Salaries	4,728,400	4,893,329	4,875,200	5,498,400	+12.8%
Health Benefits	655,300	774,365	807,000	886,000	+9.8%
WCI	892,700	771,044	876,000	661,200	(24.5%)
Retirement	995,700	913,332	927,000	1,031,200	+11.2%
Other Benefits	95,200	95,862	111,800	111,200	(0.5%)
Uniforms	37,000	30,397	40,000	40,000	+0.0%
Medical Exams	30,000	24,638	27,000	26,000	(3.7%)
Safety & Training	14,000	4,935	14,000	12,000	(14.3%)
<u>Service/Supplies - Operational</u>					
Fuel/Lube	843,100	304,332	551,700	625,500	+13.4%
Tires	100,000	44,324	85,000	80,000	(5.9%)
Supplies	10,000	23,276	10,000	11,000	+10.0%
Maintenance Agreements	10,000	11,462	18,000	10,000	(44.4%)
<u>Service/Supplies - Support</u>					
Telephones/Utilities	<u>155,200</u>	<u>52,623</u>	<u>109,000</u>	<u>99,200</u>	(9.0%)
TOTAL	\$8,566,600	\$7,943,918	\$8,451,700	\$9,091,700	+7.6%

TABLE 18

Expenditures: Paratransit Operating Budget
FY 2008-09 through FY 2010-11

<u>PARATRANSIT</u>	<u>FY08-09</u> <u>Budget</u>	<u>FY08-09</u> <u>Actuals</u>	<u>FY09-10</u> <u>Budget</u>	<u>FY10-11</u> <u>Budget</u>	<u>% +/-</u> <u>FY11 vs. FY10</u>
<u>Employees</u>					
Salaries	77,500	80,990	85,300	82,600	(3.2%)
Health Benefits	5,200	0	4,400	0	(100.0%)
WCI	600	518	600	700	+16.7%
Retirement	18,100	16,503	17,000	16,700	(1.8%)
Other Benefits	1,600	1,379	1,700	1,600	(5.9%)
Uniforms	0	0	0	0	+0.0%
Medical Exams	300	32	300	300	+0.0%
Safety & Training	4,000	3,863	2,000	2,000	+0.0%
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	174,500	146,297	108,100	94,200	(12.9%)
Paratransit Service Contract	2,043,500	2,168,632	2,241,000	2,200,000	(1.8%)
Schedules/Marketing	4,000	3,903	4,500	6,000	+33.3%
Supplies	1,000	34,179	4,000	4,000	+0.0%
Maintenance Agreements	7,000	11,493	7,000	10,000	+42.9%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	1,000	368	1,000	1,000	+0.0%
TOTAL	\$2,338,300	\$2,468,157	\$2,476,900	\$2,419,100	(2.3%)

TABLE 19

Expenditures: Maintenance Operating Budget
FY 2008-09 through FY 2010-11

<u>MAINTENANCE</u>	<u>FY08-09</u> <u>Budget</u>	<u>FY08-09</u> <u>Actuals</u>	<u>FY09-10</u> <u>Budget</u>	<u>Proposed</u> <u>Budget</u> <u>FY10-11</u>	<u>%+ / (-)</u> <u>FY11 vs. FY10</u>
<u>Employees</u>					
Salaries	896,200	829,364	955,300	1,017,500	+6.5%
Health Benefits	107,200	134,459	133,400	170,400	+27.7%
WCI	99,100	85,594	97,300	82,200	(15.5%)
Retirement	187,000	177,504	191,600	198,000	+3.3%
Other Benefits	23,900	17,479	21,600	25,900	+19.9%
Uniforms	10,600	8,730	12,000	12,000	+0.0%
Medical Exams	5,200	6,800	6,000	6,000	+0.0%
Safety & Training	10,000	1,454	10,000	10,000	+0.0%
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	48,000	33,805	45,000	30,000	(33.3%)
Tires	50,000	83,826	65,000	70,000	+7.7%
Repair Parts	522,000	389,880	535,000	535,000	+0.0%
CNG Fuel Station	50,000	39,531	175,000	170,000	(2.9%)
Contract Repair	287,000	147,985	265,000	271,000	+2.3%
Supplies	108,000	117,814	120,700	120,700	+0.0%
Warranty Recovery	0	-1,632	0	0	+0.0%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	66,000	43,434	59,500	52,500	(11.8%)
Contract Services	<u>108,000</u>	<u>102,940</u>	<u>104,000</u>	<u>64,000</u>	(38.5%)
TOTAL	\$2,578,200	\$2,218,968	\$2,796,400	\$2,835,200	+1.4%

TABLE 20

Expenditures: Administration Operating Budget
FY 2008-09 through FY 2010-11

<u>ADMINISTRATION</u>	<u>FY08-09</u> <u>Budget</u>	<u>FY08-09</u> <u>Actuals</u>	<u>FY09-10</u> <u>Budget</u>	<u>FY10-11</u> <u>Budget</u>	<u>% +/-</u> <u>FY11 vs. FY10</u>
<u>Employees</u>					
Salaries	706,800	671,023	730,600	700,600	(4.1%)
Health Benefits	86,300	79,718	91,900	90,300	(1.7%)
WCI	4,700	4,060	4,600	5,700	+23.9%
Retirement	153,000	143,835	141,000	139,900	(0.8%)
Other Benefits	34,400	33,320	39,500	33,500	(15.2%)
Medical Exams	1,200	369	1,000	600	(40.0%)
Safety & Training	33,000	28,308	32,500	33,500	+3.1%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	28,000	19,875	26,500	24,200	(8.7%)
Insurance	600,000	530,973	478,500	470,000	(1.8%)
Contract Services	151,000	177,150	134,000	76,500	(42.9%)
Supplies	76,500	48,766	68,000	64,500	(5.1%)
Legal	27,500	46,645	38,000	37,000	(2.6%)
Audit	22,000	22,142	24,000	24,000	+0.0%
Officers & Directors	48,000	37,026	45,000	40,000	(11.1%)
Dues	<u>43,000</u>	<u>34,213</u>	<u>42,000</u>	<u>40,000</u>	(4.8%)
Total	\$2,015,400	\$1,877,421	\$1,897,100	\$1,780,300	(6.2%)

TABLE 21

Expenditures: Planning And Marketing Operating Budget
FY 2008-09 through FY 2010-11

<u>PLANNING AND MARKETING</u>	<u>FY08-09 Budget</u>	<u>FY08-09 Actuals</u>	<u>FY09-10 Budget</u>	<u>FY10-11 Budget</u>	<u>% +/- FY11 vs. FY10</u>
<u>Employees</u>					
Salaries	365,700	378,091	400,000	391,500	(2.1%)
Health Benefits	22,300	33,773	35,100	48,100	+37.0%
WCI	2,900	2,505	2,800	3,200	+14.3%
Retirement	68,200	67,459	68,000	67,500	(0.7%)
Other Benefits	13,400	9,375	11,700	11,700	+0.0%
Medical Exams	300	169	300	300	+0.0%
Safety & Training	4,000	5,496	3,600	2,000	(44.4%)
<u>Service/Supplies - Operational</u>					
Tickets/Schedules	72,000	83,481	69,000	51,500	(25.4%)
Marketing	52,000	52,521	51,000	68,000	+33.3%
OTC Facilities	10,000	9,973	10,500	11,000	+4.8%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	1,000	761	1,000	1,000	+0.0%
Contract Services	<u>64,000</u>	<u>35,214</u>	<u>196,000</u>	<u>92,000</u>	(53.1%)
Total	\$675,800	\$678,819	\$849,000	\$747,800	(11.9%)

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 – as well as any alternative fuel excise tax credit earned.

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's Personnel Rules and MOUs require that GCT pay the employee contribution as well as 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).