



BUDGET AND FINANCIAL PLAN

2011-12 FISCAL YEAR

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General Manager

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Director of Administrative Services
June 1, 2011

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GUIDE TO THE BUDGET AND FINANCIAL PLAN

The Gold Coast Transit (GCT) Budget and Financial Plan for FY 2011-12 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 11-12 BUDGET AND FINANCIAL PLAN

GOLD COAST TRANSIT MISSION STATEMENT

GCT's Board of Directors in 2009 adopted the following 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 Carol Smith
Vice-Chair

Councilmember Carlon Strobel
Alternate

City of Oxnard

Councilman Bryan A.
MacDonald - Director

Councilmember Carmen
Ramirez - Alternate

City of Port Hueneme

Councilmember Jonathan
Sharkey – Chair

Mayor Sylvia Muñoz Schnopp -
Alternate

City of Ventura

Mayor William Fulton
Director

Councilmember Brian Brennan
Alternate

County of Ventura

Supervisor John C. Zaragoza
Director

Supervisor Steve Bennett
Alternate

SENIOR MANAGEMENT STAFF

Steven P. Brown
General Manager

Steve L. Rosenberg
Director of Administrative Services

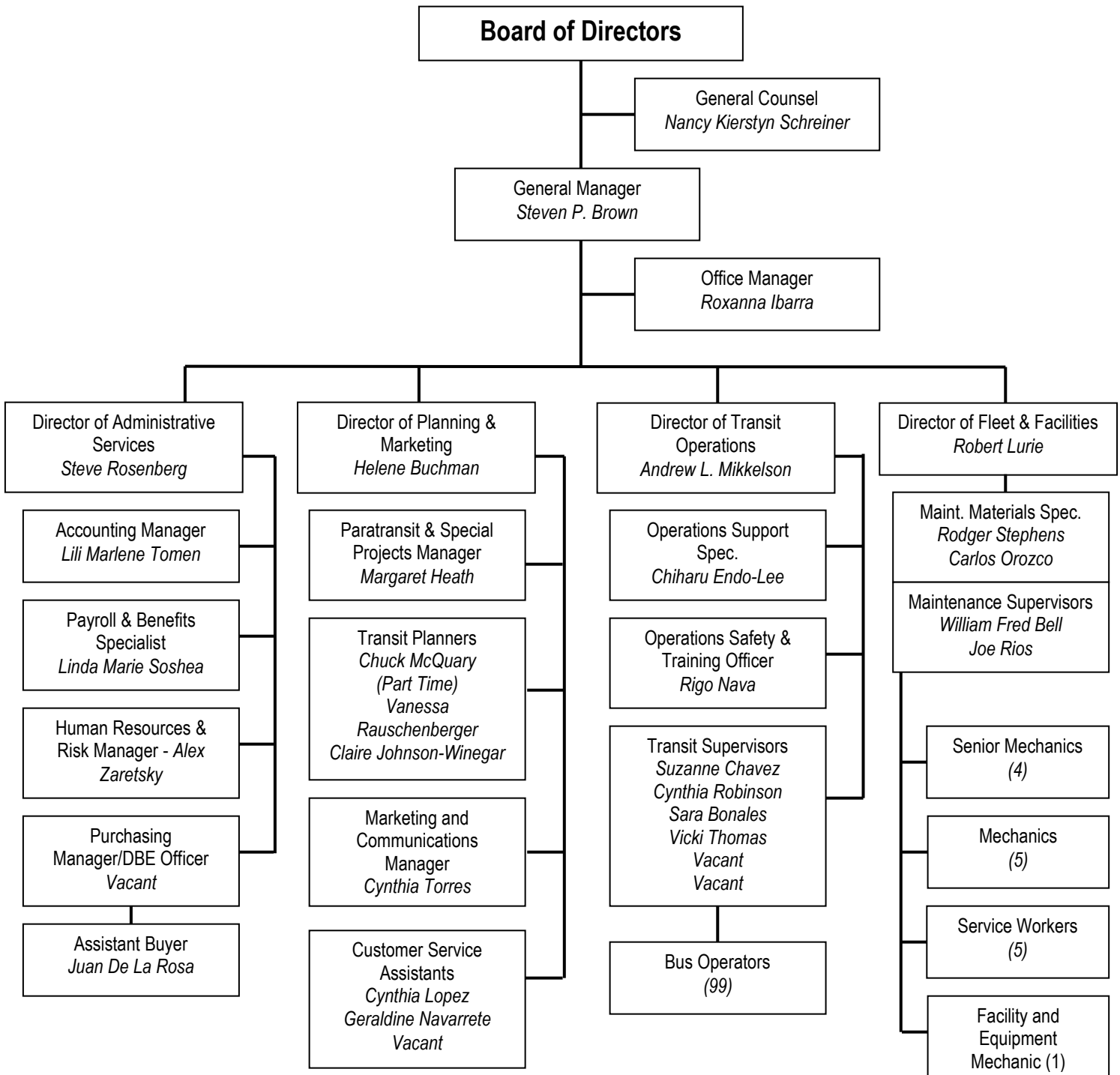
Robert Lurie
Director of Fleet & Facilities

Helene Buchman
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.

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 2011-12, resource constraints dictate that the budget be premised on no wage or benefit increases. Actual wage or benefit increases are subject to future labor agreements approved by the GCT Board of Directors.
- 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 2011-12, as in FY 2009-10 and FY 2010-11, resource constraints dictate that the annual capital reserve contribution be deferred.
- F. Budget versus actual financial information is reported.

BUDGET HIGHLIGHTS FOR FY 2010-11 - THE PRIOR BUDGET YEAR

The approved operating budget for FY 2010-11 was \$16,874,100, a 2.4% increase from the FY 2009-10 budget (note: in May 2011 the GCT Board reduced the FY 2010-11 budget to \$16,524,100). Revenues available to GCT for provision of transit service were at historically low levels, and only the provision of one-time ARRA revenues for both paratransit and fixed-route operations allowed GCT to budget for providing service at the then-current operating level. On the expense side, the key factor was a premised freeze on wage and benefit increases for FY2010-11.

Budget highlights were as follows:

- Reduced Revenues – A combination of the State budget crisis and the ongoing economic recession continued to impact GCT’s major revenue sources. Sales tax receipts were down, reducing the level of Local Transportation Fund (LTF) funds available to Ventura County. The State had reinstated funding for State Transit Assistance (STA) using a different revenue source. 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 had been implemented. FTA Section 5307 grant funding was slightly lower than it had been the previous year.

A core revenue element of the FY 2010-11 budget was the use of ARRA (stimulus) funds to support operations. This budget as originally approved used \$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 was considered one-time funding and presented a significant challenge for next year and beyond.

- Labor – This budget was premised on no wage or benefit increases and no increase in employee headcount for FY 2010-11. GCT's existing Memoranda of Understanding (MOUs) with SEIU Local 721 expired on October 31, 2010. Employees of all of our member agencies had made economic sacrifices in the wake of the recession and California's continuing budget crisis, and GCT's employees were expected to do so as well.
- Boardings - Fixed route boardings finished FY 2009-10 at a 3.5% decrease from the previous year. Taking into account service adjustments and a full year of the 8% fare increase implemented in January 2010, it was projected that fixed route boardings for FY 2010-11 would be flat compared to FY 2009-10 boardings, and that FY 2010-11 passenger fares would be 3.25% higher than FY 2009-10 fares.

Paratransit boardings were 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 budget premise was that boardings would 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 were implemented for FY 2010-11, to begin in August 2010. Routes were modified on Routes 6, 10, 11 and 40, and a new Route 19 was implemented serving Oxnard along Gonzales Rd and 5th Street between Victoria Ave. and Lombard St.

The FY 2010-11 budget included 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 was \$698,300, a 7.5% increase from the FY 2009-10 budget. The unit price used to calculate the FY2010-11 budget was \$.60 per therm, based on the 12-month rolling average for the period May 2009 through April 2010. The federal excise tax credit on alternative fuels expired on December 31, 2009 and was not included in the FY2010-11 budget. When the extension bill finally became

law in December 2010, GCT realized a savings of approximately \$570,000, \$95,000 per quarter for each of six quarters not previously claimed through June 2011.

- Paratransit operations - The budget for paratransit services in FY 2010-11 was \$2,200,000, a 1.8% decrease from the FY 2009-10 budget. The ridership projection for FY 2010-11 was lower than the projection used to develop the FY 2009-10 budget.
- Farebox Recovery Ratio – 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%, or that the claimant realize a farebox recovery ratio (FBRR) of 20% for fixed route service and 10% for paratransit service. The FY 2010-11 budget projected 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 budgeted \$10,000 in non-TDA fare revenue anticipating a grant received from the Ventura County Air Pollution Control District (VCAPCD) for the purpose of encouraging increased use of public transit, however this program was not extended. In total, the FY 2010-11 budget included guarantees of \$227,000 for fixed route and \$78,000 for paratransit, a total of \$305,000. These guaranteed revenues allowed GCT to meet the FBRR standard.
- Capital Reserve Contribution – For the second consecutive year the capital reserve contribution was 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 this two-year deferral is that the reserve amount has remained flat.
- Member contribution - The net member contribution, including both TDA and non-TDA contribution, was \$8,158,911, a 5% reduction from FY 2009-10 and a 9.5% reduction from FY 2008-09.

BUDGET HIGHLIGHTS FOR FY 2011-12, THE UPCOMING BUDGET YEAR

The proposed operating budget for FY 2011-12 is \$18,037,900, a 6.9% increase from the original FY 2010-11 budget. Revenues available to GCT for provision of transit service increased from their historic low levels in FY 2010-11, however have not returned to their previous levels. On the expense side, the key factors are a substantial increase in service from FY 2010-11 and a continued freeze on wage and benefit increases for GCT employees.

Budget highlights are as follows:

- Revenues –GCT’s primary revenue source is Local Transportation Fund received by its member agencies from a .25% state sales tax generated by the Transportation Development Act (TDA). Sales tax receipts, while still historically low, were higher than forecast in FY 2009-10, creating a modest LTF surplus. A portion of that surplus will be distributed to our members in FY 2011-12. Receipts are also forecast to be slightly higher in FY 2011-12. The combination of these factors has resulted in a 23% increase in LTF revenue to GCT’s member agencies. Approximately one-half of that increase may be considered non-recurring.

GCT traditionally receives modest support from STA and will again in FY 2011-12 now that the program has been restored. The STA program is critical to GCT in that it supports county transit programs (primarily Metrolink commuter rail) that would otherwise reduce available LTF to GCT’s members.

GCT’s primary source of federal funding is FTA Section 5307 grant funding. The FTA’s authorizing transit funding legislation, SAFETEA-LU, expired after FY 2009 and continues to be extended through continuing resolutions. No funding bill has been implemented for FY 2011-12 at this time, and at the recommendation of VCTC GCT has premised for this budget a 10% reduction in 5307 formula funding. GCT’s FY 2011-12 federal funding also includes three separate route-specific federal grants totaling \$728,000; Congestion Mitigation and Air Quality (CMAQ) grants for demonstration projects serving the Market-Valentine area of Ventura (third of a three-year project) and the Vineyard-Rose corridor in north Oxnard and unincorporated County areas (starting January 2012), and a Job Access and Reverse Commute (JARC) program grant for service in the Gonzales Road area in Oxnard.

The Board approved in December 2009 a two-phase passenger fare increase, the first increase since July 2003. The first phase was an 8% increase implemented in January 2010; the second phase is an 11% increase to be implemented in August 2011.

- Labor – For the second consecutive year, GCT’s budget is premised on no wage or benefit increases. GCT’s existing Memoranda of Understanding (MOUs) with SEIU Local 721 expired on October 31, 2010 and negotiations are ongoing. Overall labor costs will increase from FY 2010-11 to FY 2011-12 as the result of adding employees to support service improvements.
- Boardings - Fixed route boardings are forecasted to finish FY 2010-11 at a 4-4.5% decrease from the previous year. Taking into account additional service and an 11% fare increase scheduled to take effect in August 2011, it is projected that fixed route boardings for FY 2010-11 will increase 3% compared to FY 2010-11 projected actual boardings, and that passenger fares will increase 9.6% from actual FY 2009-10 fares.

Paratransit boardings are forecasted to finish FY 2010-11 at a 1.6% decrease from the previous year, however GCT anticipates the trend turning and the budget

premise is that FY 2011-12 boardings will increase 6.7% from the projected actual boardings for FY 2010-11. At this increased level of just under 81,900 total boardings, system utilization would be 1% less than in FY 2008-09.

- Service Adjustments – GCT will be implementing a number of service improvements in FY 2011-12, with revenue service hours increasing 10.9% to 163,909 from the FY10-11 premise of 147,815 revenue service hours, and revenue service miles increasing 15.4% to 1,765,891 from the FY10-11 premise of 1,530,869 revenue service miles. The service improvements are:
 - Restoration of the Route 6 service reduced in the FY10-11 budget, beginning in August 2011.
 - New CMAQ-funded Route 17 (Vineyard Corridor-Rose Ave) to begin service January 2012.
 - Restructure of existing Route 15 into new Route 14 (Nyeland Acres-Riverpark) and Route 15 (El Rio/Northeast), beginning in August 2011.
 - JARC-funding for the previously-implemented existing Route 19 (Gonzales-Lombard) and the new Route 20, an a.m. reverse commute shuttle between the OTC and job sites in Seagate Industrial Park (Goodwill), beginning August 2011.
 - Improve headways on Route 1 from every 25 minutes to every 20 minutes, beginning January 2012.
 - Improve Route 5 schedules (cost neutral), beginning August 2011.

GCT's budgeted total cost per revenue hour for FY 2011-12 is \$110.05, a 3.6% decrease from FY 2010-11, and the budgeted cost per revenue mile is \$10.21, a 7.3% decrease from FY 2010-11.

- Fuel - The budget for fueling the fixed route and paratransit fleets with CNG in FY 2011-12 is \$649,400, a 7% decrease from the FY 2010-11 budget of \$698,300. The unit price used to calculate the FY2011-12 budget was \$.682 per therm, based on 20% above the 12-month rolling average for the period April 2010 through March 2011. This premise was used for conservatism, based on the historically low price for natural gas in 2010-11 and the current inflationary trend in the fuel market. Last December the federal excise tax credit on alternative fuels was extended through December 2011, so this budget premises receiving this credit for the first two quarters of FY 2011-12.
- Paratransit operations - The budget for contracted paratransit services in FY 2011-12 is \$2,218,000, a .8% increase from the FY 2010-11 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. The FY 2010-11 budget met 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. The FY 2011-12 budget includes guarantees of \$370,000 for fixed route and \$75,000 for paratransit, a total of \$445,000. These guaranteed revenues allowed GCT to meet the FBRR standard.

- Capital Reserve Contribution – For the third consecutive year the capital reserve contribution was completely deferred as a result of ongoing reduced transit funding levels and the need to restore and improve service. As most current capital projects are funded by The American Recovery and Reinvestment Act of 2009 (ARRA) or State Prop. 1B funds, which requires no matching funds, the short-term impact of this deferral is minimized. Continuing to defer annual contributions to the capital reserve is likely to have a negative long-term impact on GCT's future ability to maintain and expand service.
- Member contribution - The FY 2011-12 member contribution, including both TDA and non-TDA contribution, is \$9,870,105 a 21% increase from the historically low FY 2010-11 member contribution of \$8,158,911.

BUDGET PROCESS

The proposed budget was developed by the Director of Administrative Services in consultation with the GCT General Manager and management team. Budget premises were discussed with the Board at the April Board Meeting on April 6, 2011. The budget was then discussed and reviewed by the GCT Technical Advisory Committee (TAC) on April 12, 2011 and April 20 2011, and a report presenting the draft budget was presented to and accepted by the Board at its meeting on May 4, 2011.

The final funding allocations for this budget were approved by the Ventura City Council on May 2, 2011 and the Oxnard City Council on May 10, 2011. The Ojai and Port Hueneme City Councils and the Ventura County Board of Supervisors are scheduled to consider approval later in June 2011.

BUDGET SUMMARY

The budget summary is displayed in the following tables: Table 1, Operating Budget Summary, Revenues and Expenses; Table 2, Operating Budget – Functional Categories; Table 3, Member Agency Participation. The budget document provides details for the operating budget in the **Expenditures** (page 13) section, the capital project budget in the **Capital Improvements** (page 16) section and the revenue sources in the **Operating Revenue** (page 21) section.

The following three tables provide an overview of the GCT FY 2011-12 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. The following sections include tables reflecting the operating expense 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, a glossary of terms and a post-budget addendum.

TABLE 1

**Gold Coast Transit
Operating Budget Summary
July 1, 2011 to June 30, 2012**

Operating Revenue

<u>Item</u>	<u>FY09-10 Budget</u>	<u>FY09-10 Actuals</u>	<u>FY10-11 Budget</u>	<u>Proposed Budget FY11-12</u>	<u>% +/- FY12 vs. FY11</u>
Passenger Fares-Fixed Route	\$2,738,400	\$2,575,992	\$2,671,700	\$2,798,200	+4.7%
Passenger Fares-Paratransit	\$177,000	\$161,839	\$169,000	\$187,000	+10.7%
Special Transit Fares (FR) - Member Gov'ts	\$400,000	\$400,000	\$227,000	\$370,000	+63.0%
Special Transit Fares (PT) - Member Gov'ts	\$0	\$0	\$78,000	\$75,000	N/A
Interest	\$35,000	\$16,875	\$10,000	\$12,000	+20.0%
Advertising Income	\$100,000	\$133,328	\$120,000	\$150,000	+25.0%
Other	\$2,000	\$18,824	\$1,000	\$1,000	+0.0%
Operating Assistance-State	\$24,300	\$38,630	\$140,000	\$190,000	+35.7%
Operating Assistance-Local (LTF)	\$8,674,248	\$7,838,752	\$8,731,300	\$10,260,600	+17.5%
Operating Assistance-Local (Other)	\$80,000	\$0	\$100,000	\$0	N/A
Demo Project - Market-Valentine Shuttle	\$270,900	\$270,413	\$287,500	\$307,000	+6.8%
Demo Project - Vineyard Corridor Route	\$0	\$0	\$0	\$271,000	N/A
JARC Funding For Route 19	\$0	\$0	\$0	\$150,000	N/A
Preventive Maintenance-Federal	\$1,850,141	\$1,850,141	\$1,678,500	\$1,632,700	(2.7%)
Paratransit Assistance-Federal	\$967,111	\$967,111	\$1,438,100	\$1,043,400	(27.4%)
Planning Assistance-Federal	\$600,000	\$600,000	\$582,000	\$540,000	(7.2%)
Operating Assistance- Federal ARRA	\$0	\$0	\$640,000	\$50,000	N/A
Other Fed Grants and Reimbursements	<u>52,000</u>	<u>126,409</u>	<u>0</u>	<u>0</u>	N/A
TOTAL	\$15,971,100	\$14,998,314	\$16,874,100	\$18,037,900	+6.9%

Operating ExpensesFUNCTIONAL CATEGORIES

Employee Support	10,835,100	10,933,563	11,430,300	12,569,200	+10.0%
Service/Supplies - Operational	4,679,500	3,782,232	4,526,400	4,516,800	(0.2%)
Service/Supplies - Support	<u>956,500</u>	<u>841,407</u>	<u>917,400</u>	<u>951,900</u>	+3.8%
TOTAL	16,471,100	15,557,203	16,874,100	18,037,900	+6.9%

DEPARTMENT CATEGORIES

Fixed Route	8,451,700	8,332,929	9,091,700	9,802,000	+7.8%
Paratransit	2,476,900	2,162,102	2,419,100	2,426,700	+0.3%
Maintenance	2,801,400	2,606,683	2,840,200	3,149,200	+10.9%
Administration	1,892,100	1,677,825	1,775,300	1,841,200	+3.7%
Planning and Marketing	<u>849,000</u>	<u>772,908</u>	<u>747,800</u>	<u>818,800</u>	+9.5%

TOTAL	<u>16,471,100</u>	<u>15,552,447</u>	<u>16,874,100</u>	<u>18,037,900</u>	+6.9%
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Total Fixed Route	13,994,200	13,390,345	14,455,000	15,611,200	+8.0%
Total Paratransit	<u>2,476,900</u>	<u>2,162,102</u>	<u>2,419,100</u>	<u>2,426,700</u>	+0.3%

Farebox Recovery Ratio	<u>20%</u>	<u>20%</u>	<u>18%</u>	<u>19%</u>	
FRR Fixed Route	<u>22%</u>	<u>22%</u>	<u>20%</u>	<u>20%</u>	
FRR Paratransit	<u>7%</u>	<u>7%</u>	<u>7%</u>	<u>11%</u>	

TABLE 2

**Gold Coast Transit
Operating Budget – Functional Categories
July 1, 2011 to June 30, 2012**

	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY10-11</u>	<u>Proposed</u>	
<u>Employee Support</u>	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>FY11-12</u> % +/- FY12 vs. FY11
Salaries	7,047,000	7,463,777	7,690,600	8,317,200	+8.1%
Health Benefits	1,071,800	1,120,782	1,194,800	1,370,800	+14.7%
WCI	981,300	660,484	753,000	748,000	(0.7%)
Retirement	1,344,600	1,367,072	1,453,300	1,715,500	+18.0%
Other Benefits	185,700	174,282	183,900	236,200	+28.4%
Uniforms	52,000	34,594	52,000	61,600	+18.5%
Medical Exams	34,600	29,215	33,200	37,900	+14.2%
Safety & Training	62,100	40,766	59,500	71,000	+19.3%
Contracts	56,000	42,592	10,000	11,000	+10.0%
TOTAL	\$10,835,100	\$10,933,563	\$11,430,300	\$12,569,200	+10.0%
				<u>Proposed</u>	
	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY10-11</u>	<u>Budget</u>	<u>FY11-12</u> % +/- FY12 vs. FY11
<u>Service/Supplies - Operational</u>	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	
Fuel/Lubricants	704,800	464,651	749,700	702,400	(6.3%)
Tires	150,000	98,089	150,000	150,000	+0.0%
Repair Parts	535,000	556,987	535,000	583,000	+9.0%
CNG Fuel Station	175,000	42,514	170,000	170,000	+0.0%
Paratransit Service Contract	2,241,000	1,955,851	2,200,000	2,218,200	+0.8%
Contract Repair	265,000	243,203	271,000	350,000	+29.2%
Contract Services	321,000	140,822	168,500	98,500	(41.5%)
Supplies	134,700	104,454	135,700	131,200	(3.3%)
Tickets/Schedules	73,500	64,879	57,500	50,000	(13.0%)
Marketing	51,000	89,603	68,000	42,000	(38.2%)
OTC Facilities *	10,500	10,297	11,000	11,500	+4.5%
Maintenance Agreements	18,000	7,396	10,000	10,000	+0.0%
Warranty Recovery	0	0	0	0	+0.0%
TOTAL	\$4,679,500	\$3,778,746	\$4,526,400	\$4,516,800	(0.2%)
				<u>Proposed</u>	
	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY10-11</u>	<u>Budget</u>	<u>FY11-12</u> % +/- FY12 vs. FY11
<u>Service/Supplies - Support</u>	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	
Telephones/Utilities	197,000	149,002	177,900	170,500	(4.2%)
Insurance	478,500	459,175	470,000	473,300	+0.7%
Contract Services	69,000	62,971	69,000	68,000	(1.4%)
Supplies	68,000	54,871	64,500	70,100	+8.7%
Legal	38,000	31,697	37,000	73,000	+97.3%
Audit	24,000	20,678	24,000	22,000	(8.3%)
Officers & Directors	45,000	30,486	40,000	40,000	+0.0%
Dues	37,000	32,529	35,000	35,000	+0.0%
TOTAL	\$956,500	\$841,407	\$917,400	\$951,900	+3.8%
GRAND TOTAL	\$16,471,100	\$15,553,717	\$16,874,100	\$18,037,900	+6.9%

TABLE 3

**Gold Coast Transit
Member Agency Funding Participation
July 1, 2011 to June 30, 2012**

<u>Member Agency</u>	<u>Fixed Route / Operations & Maintenance</u>	<u>Fixed Route / Administration & Planning</u>	<u>Paratransit</u>	<u>Gross Contribution for FY11-12</u>	<u>FY11-12 Member Share</u>
Ojai	\$95,816	\$23,001	\$31,330	\$150,147	1.31%
Oxnard	\$4,409,863	\$927,121	\$628,845	\$5,965,829	52.19%
Port Hueneme	\$223,341	\$47,560	\$93,895	\$364,796	3.19%
Ventura	\$2,654,010	\$543,399	\$370,298	\$3,567,707	31.20%
Ventura County	\$1,139,797	\$209,392	\$35,932	\$1,385,121	12.11%
TOTAL	\$8,522,827	\$1,750,473	\$1,160,300	\$11,433,600	100.00%
Prior Year	\$6,812,864	\$1,444,236	\$769,200	\$9,026,300	100.00%

<u>Member Agency</u>	<u>Gross Contribution for FY11-12</u>	<u>LESS - Net Carryover applied to FY11-12</u>	<u>Less Demonstration Service Funding Allocation</u>	<u>Calculated Member Contribution for FY11-12</u>	<u>LESS - Non- TDA Commitments for FY11-12</u>	<u>NET Member TDA Allocation for FY11-12</u>	<u>FY11-12 Contribution Percentage</u>	<u>Adjusted FY11-12 Vote Weight</u>
Ojai	\$150,147	(\$11,279)	\$0	\$138,868	\$0	\$138,868	1.31%	1.37%
Oxnard	\$5,965,829	(\$437,465)	(\$246,454)	\$5,281,910	(\$300,000)	\$4,981,910	52.19%	49.99%
Port Hueneme	\$364,796	(\$27,070)	\$0	\$337,726	(\$20,000)	\$317,726	3.19%	3.34%
Ventura	\$3,567,707	(\$266,774)	(\$307,000)	\$2,993,933	(\$125,000)	\$2,868,933	31.20%	32.64%
Ventura County	\$1,385,121	(\$92,907)	(\$174,546)	\$1,117,668		\$1,117,668	12.11%	12.67%
TOTAL	\$11,433,600	(\$835,495)	(\$728,000)	\$9,870,105	(\$445,000)	\$9,425,105	100.00%	100.00%
Prior Year	\$9,026,300	(\$867,389)	N/A	\$8,158,911	(\$295,000)	\$7,863,911		

* 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

Employees – Support

The proposed budget for employee support shows an increase of \$1,138,900 (10%). This increase is driven primarily by adding additional bus operators and one transit supervisor to directly support increased service levels. The budget also includes an additional customer service employee and an additional transit planning employee; these positions also support growth resulting from both adding service and increasing our community outreach effort. The increase in pension costs is also driven by a 14.8% increase in GCT's CalPERS employer contribution rate. From a unit cost standpoint, this budget is premised on a freeze on wage and health benefit contribution 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 expired 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 is based on estimates which are essentially flat from last year's budget; final costs will not be published until June and the final billing amount is typically lower than the estimates.

GCT anticipates beginning the fiscal year with approximately 98 bus operators and incrementally increasing that number to 110-114 as service increases take effect, with an average headcount of 108-110. Operator headcount is driven by service levels and other variables, and actual headcount typically will vary throughout the year. Non-operator headcount will increase to 45.5. Table 4 shows the Employee Support expense budget.

TABLE 4
Gold Coast Transit
Employee Support Expenses
July 1, 2011 to June 30, 2012

<u>Employee Support</u>	<u>FY09-10</u> <u>Budget</u>	<u>FY09-10</u> <u>Actuals</u>	<u>FY10-11</u> <u>Budget</u>	<u>Proposed</u> <u>Budget</u> <u>FY11-12</u>	<u>% +/-</u> <u>FY12 vs. FY11</u>
Salaries	7,047,000	7,463,777	7,690,600	8,317,200	+8.1%
Health Benefits	1,071,800	1,120,782	1,194,800	1,370,800	+14.7%
WCI	981,300	660,484	753,000	748,000	(0.7%)
Retirement	1,344,600	1,367,072	1,453,300	1,715,500	+18.0%
Other Benefits	185,700	174,282	183,900	236,200	+28.4%
Uniforms	52,000	34,594	52,000	61,600	+18.5%
Medical Exams	34,600	29,215	33,200	37,900	+14.2%
Safety & Training	62,100	40,766	59,500	71,000	+19.3%
Contracts	<u>56,000</u>	<u>42,592</u>	<u>10,000</u>	<u>11,000</u>	<u>+10.0%</u>
TOTAL	\$10,835,100	\$10,933,563	\$11,430,300	\$12,569,200	+10.0%

Service/Supplies – Operational

The proposed budget for Service/Supplies - Operational shows a reduction of \$9,600 (.2%). The significant reduction in contract services reflects a reduction in transit planning projects, as a recent grant-funded project has been completed and most future planning work which might have been contracted in the past will be performed in-house as the result of adding a new transit planner position. GCT also shows a reduction in the cost of marketing and schedule-making activities as the result of doing more work in-house.

Fuel and lubricant cost shows a 6.3% budget decrease, as the cost of additional service miles and a projected modest increase in natural gas cost is more than offset by the extension of the Federal alternative fuel credit through December 2011. Cost increases are anticipated in contract repair and repair parts, as the extended warranties expire on 26 of GCT's 54 fixed route buses and 11 of our oldest buses approach the end of their useful life. The budgeted cost for contracted paratransit service is projected to remain essentially flat in FY 2011-12 compared to FY 2010-11, as GCT anticipates ridership will increase to a level close to what was initially budgeted for in FY 2010-11.

Table 5 shows the Operational Service/Supply expense budget.

TABLE 5

**Gold Coast Transit
Service/Supplies – Operational Expenses
July 1, 2011 to June 30, 2012**

<u>Service/Supplies - Operational</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY10-11</u>	<u>Proposed</u>	<u>% +/-</u> <u>FY12 vs. FY11</u>
	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u> <u>FY11-12</u>	
Fuel/Lubricants	704,800	464,651	749,700	702,400	(6.3%)
Tires	150,000	98,089	150,000	150,000	+0.0%
Repair Parts	535,000	556,987	535,000	583,000	+9.0%
CNG Fuel Station	175,000	42,514	170,000	170,000	+0.0%
Paratransit Service Contract	2,241,000	1,955,851	2,200,000	2,218,200	+0.8%
Contract Repair	265,000	243,203	271,000	350,000	+29.2%
Contract Services	321,000	140,822	168,500	98,500	(41.5%)
Supplies	134,700	104,454	135,700	131,200	(3.3%)
Tickets/Schedules	73,500	64,879	57,500	50,000	(13.0%)
Marketing	51,000	89,603	68,000	42,000	(38.2%)
OTC Facilities *	10,500	10,297	11,000	11,500	+4.5%
Maintenance Agreements	18,000	7,396	10,000	10,000	+0.0%
Warranty Recovery	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>+0.0%</u>
TOTAL	\$4,679,500	\$3,778,746	\$4,526,400	\$4,516,800	(0.2%)

* OTC - Oxnard Transportation Center

Service/Supplies – Support

The proposed budget for service/supplies support shows an increase of \$34,500 (3.8%) from FY2010-11, which is primarily due to a substantial increase in legal expense. GCT experienced increased legal costs for both general counsel and labor counsel activities, and this higher level of activity is likely to continue into FY 2011-12.

Budgeted costs for general liability and property damage insurance will remain flat for FY 2011-12. 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 2011-12, as in prior years, GCT will benefit from a credit for prior years having closed with lower-than-expected claims. Other line items are essentially flat from the FY 2010-11 budget after having been reduced last year in an effort to reduce GCT's administrative costs.

Table 6 shows the Support Service and Supply expense budget.

TABLE 6

**Gold Coast Transit
Service/Supplies – Support Expenses
July 1, 2011 to June 30, 2012**

<u>Service/Supplies - Support</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY10-11</u>	<u>Proposed</u>	<u>% +/-</u> <u>FY12 vs. FY11</u>
	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u> <u>FY11-12</u>	
Telephones/Utilities	197,000	149,002	177,900	170,500	(4.2%)
Insurance	478,500	459,175	470,000	473,300	+0.7%
Contract Services	69,000	62,971	69,000	68,000	(1.4%)
Supplies	68,000	54,871	64,500	70,100	+8.7%
Legal	38,000	31,697	37,000	73,000	+97.3%
Audit	24,000	20,678	24,000	22,000	(8.3%)
Officers & Directors	45,000	30,486	40,000	40,000	+0.0%
Dues	<u>37,000</u>	<u>32,529</u>	<u>35,000</u>	<u>35,000</u>	<u>+0.0%</u>
TOTAL	\$956,500	\$841,407	\$917,400	\$951,900	+3.8%

CAPITAL IMPROVEMENTS

Capital Project Funding

GCT capital projects are typically funded by a combination of FTA, State and local matching funds. FTA Section 5307 funds are provided for capital projects, typically 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 vary from 75% to 100% of the project cost with any remainder made up from local matching funds. GCT may also apply for funds under FTA Section 5309, which can provide a discretionary allocation for bus-related capital projects.

State funds for capital projects are provided under the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA), created by Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. PTMISEA-funded projects typically do not require a local funding component.

Local matching funds are provided through the GCT Capital Reserve. The capital reserve allows funding for major capital projects to be planned and funded in advanced without placing sudden or excessive demands on local funding sources. As recently as FY2008-09, the approved annual allocation from LTF to the GCT Capital Reserve fund was \$1,200,000. In FY 2011-12, for the third consecutive year, annual allocations to the GCT Capital Reserve fund are being deferred in their entirety in response to the ongoing economic recession and state funding crisis.

The current capital reserve fund at the start of FY 2010-11 was \$2,292,862. Funds have been disbursed for completion of the CNG fuel station construction (final payment), the bus stop enhancement program, bus refurbishment activities, business systems upgrade projects, and other miscellaneous 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 2011-12 is approximately \$2,260,000.

In FY 2009-10 GCT received \$7.5 million under 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. Several projects on GCT's capital project plan are funded by ARRA. Because both ARRA and Proposition 1B funds do not require local matching funds, the impact of three years without funding the capital reserve has been minimized in the short-term.

Ten-Year Capital Project Plan

A capital project plan has been developed to ensure that:

- GCT plans for 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.

Proposed Capital Projects

The FY 2011-12 ten-year capital project plan anticipates significant growth in the provision of public transit in western Ventura County. The most significant item in the plan is a new Maintenance and Operations facility for GCT; our current facility is far smaller than the industry standard for our current service level and a recent study concurred that expansion on our existing site is not feasible. Other significant items include provision of expansion buses for anticipated service growth, periodic replacement of our bus and service vehicle fleets, mid-life major refurbishment of our bus fleets, and periodic routine replacement of GCT's paratransit fleet.

The total projected cost for all items on the ten-year capital project plan is \$142.3 million, which includes \$5.3 million of projects listed in Table 9 for which funding has been secured and \$10 million of projects for which funding has been identified but not yet secured. The \$127 million for which funding has not yet been identified includes \$40.6 million for a new Maintenance and Operations Facility. The projected local match needed for all projects in the ten-year plan is \$29.2 million

Historically the Federal government has authorized its transit capital funding programs in five or six-year authorization cycles. The most recent authorizing legislation, SAFETEA-LU, expired in 2009 and has been extended by continuing resolutions since that time. With no Federal authorization in place, planning for future capital projects is based on projected need with no guidance as to projected funding levels. Federally-funded projects must be included in the Transportation Improvement Plan (TIP), which is administered by the VCTC and the Southern California Association of Governments (SCAG).

Table 7 shows a list of projects on the ten-year capital project plan that are currently funded. These projects are eligible to be initiated in FY 2011-12. Table 8 reflects those items in the ten-year capital project plan for which funding is either programmed but not currently funded or funding is not yet identified. Table 9 provides summary-level data for the entire plan.

TABLE 7

**Gold Coast Transit
Ten-Year Capital Project Plan - Funded Projects**

<u>Project</u>	<u>Federal</u>	<u>Local/State</u>	<u>Total</u>	<u>Project Type</u>
<u>PROJECTS PLANNED USING EXISTING FUNDING</u>				
<u>5307 FTA Funded Projects</u>				
Purchase Scheduling Run-Cut System	\$120,000	\$30,000	\$150,000	Other
Replace Bus Vacuum System	\$160,000	\$40,000	\$200,000	Bldgs & Equipment
Replace Maintenance & Finance MIS Systems	\$360,000	\$120,000	\$480,000	Other
GCT Admin Building Upgrades	\$38,900	\$9,700	\$48,600	Bldgs & Equipment
Replace Radio Transmitter	\$27,500	\$6,900	\$34,400	Bldgs & Equipment
New Facility Requirements Planning	<u>\$475,000</u>	<u>\$118,750</u>	<u>\$593,750</u>	New Facility
	\$1,181,400	\$325,350	\$1,506,750	
<u>ARRA Funded Projects</u>				
Replacement Supervisor Vans	\$63,500	\$0	\$63,500	Service Vehicles
Upgrade Fareboxes	\$553,000	\$0	\$553,000	On-Board Equipment
Transit Enhancements	\$101,723	\$0	\$101,723	Other
ADA Scale	\$5,000	\$0	\$5,000	Other
Renovate Existing GCT Facility	<u>\$2,075,000</u>	<u>\$0</u>	<u>\$2,075,000</u>	Bldgs & Equipment
	\$2,798,223	\$0	\$2,798,223	
<u>State Prop. 1B Funded Projects</u>				
Facility Security Upgrades		\$126,893	\$126,893	Bldgs & Equipment
Drivecams for Service Vehicles		\$30,000	\$30,000	On-Board Equipment
On-Board Voice Annunciators		\$500,000	\$500,000	On-Board Equipment
ADA Call Back System		\$70,000	\$70,000	Other
Operator Training Performance Module		<u>\$250,000</u>	<u>\$250,000</u>	Other
		\$976,893	\$976,893	
TOTAL - FUNDED PROJECTS	\$3,979,623	\$1,302,243	\$5,281,866	

TABLE 8

**Gold Coast Transit
Ten-Year Capital Project Plan – Funding Programmed or Not Identified**

<u>Project</u>	<u>Federal</u>	<u>Local/State</u>	<u>Total</u>	<u>Project Type</u>
<u>FUNDING PROGRAMMED / NOT YET FUNDED</u>				
<u>FY 2011-12</u>				
Purchase Real Property for New Facility (Prop 1B)		\$1,183,014	\$1,183,014	New Facility
<u>FY 2012-13</u>				
Purchase Real Property for New Facility (Prop 1B)		\$8,820,000	\$8,820,000	New Facility
TOTAL - FUNDING PROGRAMMED		\$10,003,014	\$10,003,014	

<u>Project</u>	<u>Federal</u>	<u>Local/State</u>	<u>Total</u>	<u>Project Type</u>
<u>FUNDING NOT CURRENTLY IDENTIFIED</u>				
<u>FY 2012-13</u>				
New Facility Design, Engrg. & Environmental	\$6,400,000	\$1,600,000	\$8,000,000	New Facility
Replace Maintenance Vehicles	\$72,000	\$18,000	\$90,000	Service Vehicles
Replace Transit Buses (6 NABIs)	\$2,640,000	\$660,000	\$3,300,000	New Buses
Replace Paratransit Vehicles (24)	<u>\$2,549,000</u>	<u>\$331,000</u>	<u>\$2,880,000</u>	Paratransit Vehicles
	\$11,661,000	\$2,609,000	\$14,270,000	
<u>FY 2013-14</u>				
New Facility Construction Phase 1	\$8,000,000	\$2,000,000	\$10,000,000	New Facility
Replace Transit Buses (5 NABIs)	\$2,400,000	\$600,000	\$3,000,000	New Buses
Refurbish (Mid-life) New Flyer Buses (26)	\$2,600,000	\$650,000	\$3,250,000	Rebuild Buses
Transit Enhancements	<u>\$200,000</u>	<u>\$50,000</u>	<u>\$250,000</u>	Other
	\$13,200,000	\$3,300,000	\$16,500,000	
<u>FY 2014-15</u>				
New Facility Construction Phase 2	\$9,600,000	\$2,400,000	\$12,000,000	New Facility
Replace Transit Buses (6 NABIs)	\$1,875,000	\$1,875,000	\$3,750,000	New Buses
Expansion Transit Buses (10)	\$3,125,000	\$3,125,000	\$6,250,000	New Buses
Replace Office Equipment	\$60,000	\$15,000	\$75,000	Other
Service Vehicles (4)	<u>\$112,000</u>	<u>\$28,000</u>	<u>\$140,000</u>	Service Vehicles
	\$14,772,000	\$7,443,000	\$22,215,000	
<u>FY 2015-16</u>				
New Facility Construction Phase 3 (Final)	\$8,000,000	\$2,000,000	\$10,000,000	New Facility
Refurbish (Mid-life) 2009 NABI 35-ft. Transit Buses (9)	\$936,000	\$234,000	\$1,170,000	Rebuild Buses
Expansion Transit Buses (10)	\$5,200,000	\$1,300,000	\$6,500,000	New Buses
Service Vehicles (4)	<u>\$120,000</u>	<u>\$30,000</u>	<u>\$150,000</u>	Service Vehicles
	<u>\$14,256,000</u>	<u>\$3,564,000</u>	<u>\$17,820,000</u>	
<u>FY 2016-17</u>				
Replace Paratransit Vehicles (24)	\$1,740,000	\$1,740,000	\$3,480,000	Paratransit Vehicles
Refurbish (Mid-life) 2010 NABI 35-ft. Transit Buses (8)	\$896,000	\$224,000	\$1,120,000	Rebuild Buses
Expansion Transit Buses (10)	\$5,400,000	\$1,350,000	\$6,750,000	New Buses
Replace Service Vehicles (4)	<u>\$120,000</u>	<u>\$30,000</u>	<u>\$150,000</u>	Service Vehicles
	\$8,156,000	\$3,344,000	\$11,500,000	
<u>FY 2017-18</u>				
Replace 13 of 26 40-ft. New Flyer Buses	\$7,540,000	\$1,885,000	\$9,425,000	New Buses
Service Vehicles (4)	<u>\$128,000</u>	<u>\$32,000</u>	<u>\$160,000</u>	Service Vehicles
	\$7,668,000	\$1,917,000	\$9,585,000	
<u>FY 2018-19</u>				
Replace 13 of 26 40-ft. New Flyer Buses	\$7,540,000	\$1,885,000	\$9,425,000	New Buses
Replace Office Equipment	\$120,000	\$30,000	\$150,000	Other
Transit Enhancements	<u>\$400,000</u>	<u>\$100,000</u>	<u>\$500,000</u>	Other
	\$8,060,000	\$2,015,000	\$10,075,000	
<u>FY 2019-20</u>				
Replace 9 35-ft. NABI Buses	\$5,400,000	\$1,350,000	\$6,750,000	New Buses
Expansion Transit Buses (5)	<u>\$3,100,000</u>	<u>\$775,000</u>	<u>\$3,875,000</u>	New Buses
	\$8,500,000	\$2,125,000	\$10,625,000	
<u>FY 2020-21</u>				
Replace 8 35-ft. NABI Buses	\$4,960,000	\$1,240,000	\$6,200,000	New Buses
Expansion Transit Buses (5)	\$3,100,000	\$775,000	\$3,875,000	New Buses
Replace Paratransit Vehicles (24)	\$3,398,000	\$442,000	\$3,840,000	Paratransit Vehicles
Facility Upgrades	<u>\$400,000</u>	<u>\$100,000</u>	<u>\$500,000</u>	Other
	\$11,858,000	\$2,557,000	\$14,415,000	
TOTAL - FUNDING NOT CURRENTLY IDENTIFIED	\$98,131,000	\$28,874,000	\$127,005,000	

TABLE 9
Gold Coast Transit
Ten-Year Capital Project Plan – Summary Tables

	<u>Federal</u>	<u>Local / State</u>	<u>Total</u>
<u>by Funding Year</u>			
Previously Funded	\$3,979,623	\$1,302,243	\$5,281,866
FY 2011-12	\$0	\$1,183,014	\$1,183,014
FY 2012-13	\$11,661,000	\$11,429,000	\$23,090,000
FY 2013-14	\$13,200,000	\$3,300,000	\$16,500,000
FY 2014-15	\$14,772,000	\$7,443,000	\$22,215,000
FY 2015-16	\$14,256,000	\$3,564,000	\$17,820,000
FY 2016-17	\$8,156,000	\$3,344,000	\$11,500,000
FY 2017-18	\$7,668,000	\$1,917,000	\$9,585,000
FY 2018-19	\$8,060,000	\$2,015,000	\$10,075,000
FY 2019-20	\$8,500,000	\$2,125,000	\$10,625,000
FY 2020-21	<u>\$11,858,000</u>	<u>\$2,557,000</u>	<u>\$14,415,000</u>
Total - All Projects	\$102,110,623	\$40,179,257	\$142,289,880
<u>by Funding Status</u>			
Funded Projects	\$3,979,623	\$1,302,243	\$5,281,866
Projects with Programmed Funding	\$0	\$10,003,014	\$10,003,014
Projects with No Identified Funding	<u>\$98,131,000</u>	<u>\$28,874,000</u>	<u>\$127,005,000</u>
	<u>\$102,110,623</u>	<u>\$40,179,257</u>	<u>\$142,289,880</u>
<u>by Project Type</u>			
New Buses	\$52,280,000	\$16,820,000	\$69,100,000
New Facility	\$32,475,000	\$18,121,764	\$50,596,764
Paratransit Vehicles	\$7,687,000	\$2,513,000	\$10,200,000
Rebuild Buses	\$4,432,000	\$1,108,000	\$5,540,000
Other	\$1,766,723	\$765,000	\$2,531,723
Bldgs & Equipment	\$2,301,400	\$183,493	\$2,484,893
On-Board Equipment	\$553,000	\$530,000	\$1,083,000
Service Vehicles	\$615,500	\$138,000	\$753,500
	<u>\$102,110,623</u>	<u>\$40,179,257</u>	<u>\$142,289,880</u>

Depreciation

Capital assets are depreciated over the course of their useful life. Table 10 is the depreciation schedule for FY 2011-12.

TABLE 10

**Gold Coast Transit
Depreciation Schedule
July 1, 2011 to June 30, 2012**

Depreciation

<u>Item</u>	<u>FY09-10 Budget</u>	<u>FY09-10 Actuals</u>	<u>FY10-11 Budget</u>	<u>Proposed Budget FY11-12</u>
Facility	599,773	560,336	528,379	479,827
Buses	1,151,533	1,553,756	1,790,474	1,794,666
Other Vehicles	64,434	69,154	86,310	86,588
Shop Equipment	12,569	0	0	6,750
Office/Other Equipment	28,090	70,865	41,759	123,603
OTC Improvements	4,244	4,244	4,244	1,754
Paratransit Revenue Vehicles	459,791	555,063	555,064	555,062
Paratransit Other Equipment	<u>17,621</u>	<u>17,621</u>	<u>18,121</u>	<u>21,621</u>
Total Depreciation	\$2,338,055	\$2,831,039	\$3,024,351	\$3,069,871

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 2011-12.

TABLE 11

**Gold Coast Transit
Operating and Planning Revenue
July 1, 2011 to June 30, 2012**

<u>Item</u>	<u>FY09-10</u>	<u>FY09-10</u>	<u>FY10-11</u>	<u>Proposed</u>	<u>% +/-</u>
	<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u> <u>FY11-12</u>	<u>FY12 vs.</u> <u>FY11</u>
Passenger Fares-Fixed Route	\$2,738,400	\$2,575,992	\$2,671,700	\$2,798,200	+4.7%
Passenger Fares-Paratransit	\$177,000	\$161,839	\$169,000	\$187,000	+10.7%
Special Transit Fares (FR) - Member Gov'ts	\$400,000	\$400,000	\$227,000	\$370,000	+63.0%
Special Transit Fares (PT) - Member Gov'ts	\$0	\$0	\$78,000	\$75,000	N/A
Interest	\$35,000	\$16,875	\$10,000	\$12,000	+20.0%
Advertising Income	\$100,000	\$133,328	\$120,000	\$150,000	+25.0%
Other	\$2,000	\$18,824	\$1,000	\$1,000	+0.0%
Operating Assistance-State	\$24,300	\$38,630	\$140,000	\$190,000	+35.7%
Operating Assistance-Local (LTF)	\$8,674,248	\$7,838,752	\$8,731,300	\$10,260,600	+17.5%
Operating Assistance-Local (Other)	\$80,000	\$0	\$100,000	\$0	N/A
Demo Project - Market-Valentine Shuttle	\$270,900	\$270,413	\$287,500	\$307,000	+6.8%
Demo Project - Vineyard Corridor Route	\$0	\$0	\$0	\$271,000	N/A
JARC Funding For Route 19	\$0	\$0	\$0	\$150,000	N/A
Preventive Maintenance-Federal	\$1,850,141	\$1,850,141	\$1,678,500	\$1,632,700	(2.7%)
Paratransit Assistance-Federal	\$967,111	\$967,111	\$1,438,100	\$1,043,400	(27.4%)
Planning Assistance-Federal	\$600,000	\$600,000	\$582,000	\$540,000	(7.2%)
Operating Assistance- Federal ARRA	\$0	\$0	\$640,000	\$50,000	N/A
Other Fed Grants and Reimbursements	<u>52,000</u>	<u>126,409</u>	<u>0</u>	<u>0</u>	N/A
TOTAL	\$15,971,100	\$14,998,314	\$16,874,100	\$18,037,900	+6.9%

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

Passenger Fares

Passenger fare revenues for FY 2010-11 (the prior year) are anticipated to finish the year approximately 5% below budgeted levels. Fixed route fares are forecast to be 5% less than the FY 2010-11 budgeted amount, attributable to fewer boardings and lower-than-anticipated revenue per boarding. Paratransit fares are forecast to be 1% less than the FY 2010-11 budgeted amount, attributable to lower-than-anticipated boardings.

The FY 2011-12 fixed route passenger fare revenue budget is 4.7% higher than the FY 2010-11 budget and 10.4% more than our current FY 2010-11 forecast. This budget factors in a forecast of a 3% increase in boardings from the current FY 2010-11 trend coupled with an increase in revenue per boarding to account for the 11% base fare increase to be implemented in August 2011. The FY 2011-12 paratransit passenger fare revenue budget is 10.7% higher than the FY 2010-11 budget and 11.8% more than our current FY 2010-11 forecast. This budget factors in a 6.7% forecasted increase in boardings from the current FY 2010-11 trend coupled with an increase in revenue per boarding resulting from the fare increase.

The FY 2011-12 budget includes local non-TDA funding from the cities of Oxnard, Ventura and Port Hueneme for fixed route service guarantees and ACCESS service guarantees. These non-TDA funds are considered special transit fares and are included in the computation of GCT's farebox recovery ratio.

The Board approved in December 2009 a two-phase passenger fare increase, the first increase since July 2003. The first phase was an 8% increase implemented in January 2010; the second phase is an 11% increase to be implemented in August 2011.

Table 12 shows the current GCT passenger fare structure on the left and the new fare structure schedule to be implemented in August 2011 on the right.

TABLE 12

**Gold Coast Transit
Passenger Fare Structure
FY 2011-12**

<u>Fare Type</u>	<u>January 2010 Current Fare</u>	<u>August 2011 Revised Fare</u>
<u>Cash Fares (One Way)</u>		
Adult	\$1.35	\$1.50
Youth (through age 18)	\$1.35	\$1.50
Seniors*	\$0.65	\$0.75
Medicare (with Medicare Card)	\$0.65	\$0.75
Disabled (ADA card or GCT I.D.)	\$0.65	\$0.75
Seniors 75+ (with GCT I.D. – restricted hours)	Free	Free
Seniors 75+ (with GCT I.D. – am and pm rush hours)	0.65	\$0.75 +
Children under 45" tall (when accompanied by paid fare)	Free	Free
Day Pass (One-Day/Unlimited Boardings)	\$3.25	\$4.00
Day Pass for Seniors/Medicare/Disabled	\$1.60	\$2.00
<u>Multi-Ride Ticket or Monthly Pass</u>		
Adult		
10-Ride	\$12.50	\$14.00
20-Ride	\$23.50	\$26.00
30-Ride	\$32.50	\$36.00
Monthly Pass (cost per ride based on 50 rides)	\$44.50	\$49.00
Youth		
10-Ride	\$10.00	\$11.00
20-Ride	\$18.50	\$20.50
30-Ride	\$26.00	\$29.00
Monthly Pass	\$35.00	\$38.50
Senior/Disabled		
10-Ride	\$6.00	\$6.50
20-Ride	\$11.00	\$12.00
30-Ride	\$15.75	\$17.50
Monthly Pass	\$19.50	\$21.50
GCT ACCESS (Paratransit)		
Cash Fare (one-way) - ADA Certified or Senior*	\$2.70	\$3.00
Senior Nutrition (registered with County program)	Donation	Donation
Book of Ten Tickets - ADA Certified or Senior*	\$27.00	\$30.00

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

+ Elimination of \$.75 fare for 75+ seniors during am and pm rush hours under consideration

Fixed Route Ridership

Boardings in FY 2010-11 are trending 4-4.5% lower than in FY 2009-10, the second year of lower ridership after four years of steady increases. Projections are that GCT will have 3.35 million boardings in FY 2010-11, 2.7% fewer than in FY 2009-10.

For FY 2011-12, the budget premise is that ridership will be 3.45 million boardings, 3% higher than FY 2010-11 projections. Higher gasoline prices, indications that the economy may be starting to recover and the service improvements GCT is implementing in FY 2011-12 would all suggest ridership will increase for FY 2011-12, however GCT's forecast of 3% factors in the possible negative impact the pending fare increase could have on ridership in the short term.

Paratransit Ridership

Paratransit boardings for FY 2010-11 are running 1.6% behind the prior year, after a 5.6% drop the prior year. GCT anticipates the trend turning and the budget premise is that FY 2011-12 boardings will increase 6.7% from projected actual boardings for FY 2010-11; that will still be 1% fewer than in 2008-09. During the economic recession ridership on ACCESS declined for a number of reasons. Senior centers have lower attendance for classes and events, passengers that were using ACCESS for transportation to school have stopped attending school, a number of ACCESS passengers lost their jobs as part of workforce reductions, eliminating those trips, and financial concerns have forced passengers to reduce their spending and take fewer discretionary trips.

The forecast for FY 2011-12 shows a modest increase over the past two years but still lower than three years ago when the economy was strong.

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 was 20.2%.

Beginning in FY 2010-11, GCT's budget premise was to comply with the FBRR requirement by achieving both a 20% FBRR for fixed route service and a 10% FBRR for paratransit service 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. Projections for FY 2010-11 forecast FBRR for fixed route service will finish the year at 20.4% and FBRR for paratransit service at 12.2%.

The FY 2011-12 budget projects to meet these same goals in the same manner. The FY 2011-12 budget includes guarantees of \$370,000 for fixed route and \$75,000 for paratransit, a total of \$445,000. 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 2002-03.

TABLE 13
Gold Coast Transit
Ridership, Revenue and Farebox Return
FY 2002-03 to FY 2011-12

<u>Fiscal Year</u>	<u>(1)</u> <u>Fixed Route</u>			<u>(2)</u> <u>Paratransit</u>			<u>(3)</u> <u>Total</u>
	<u>Unlinked</u> <u>Passenger Trips</u>	<u>Farebox</u>	<u>Farebox</u> <u>Return</u>	<u>One Way</u> <u>Trips</u>	<u>Farebox</u>	<u>Farebox</u> <u>Return</u>	<u>Farebox</u> <u>Return</u>
FY 2002-03	3,435,333	\$2,054,251	24.0%	96,986	\$78,104	4.0%	20.30%
FY 2003-04	3,372,170	\$2,536,038	26.4%	108,024	\$135,519	6.6%	22.90%
FY 2004-05	3,307,000	\$2,275,915	20.8%	88,563	\$184,070	10.0%	19.30%
FY 2005-06	3,438,989	\$2,499,831	21.6%	78,362	\$157,100	9.3%	20.00%
FY 2006-07	3,395,500	\$2,641,230	23.0%	76,054	\$156,854	9.3%	21.27%
FY 2007-08	3,495,875	\$2,931,149 *	23.9%	79,686	\$162,457	9.2%	22.00% *
FY 2008-09	3,568,028	\$3,044,665 *	24.0%	82,655	\$161,476	6.5%	21.11% *
FY 2009-10	3,442,005	\$2,975,992 *	22.2%	77,985	\$161,839	7.5%	20.17% *
FY 2010-11 (Projected)	3,349,800	\$2,748,796 *	20.5%	76,744	\$245,317 *	10.8%	18.80% * #
FY 2011-12 (Budgeted)	3,450,300	\$3,168,200 *	20.3%	81,884	\$262,000 *	10.8%	19.02% * #

* 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 2010-11, based on expected low interest rates, was budgeted at \$10,000; actual income will finish slightly higher due to somewhat higher average balances. The budget for FY 2011-12 is \$10,000, as interest rates and cash balances are anticipated to remain at or near current year levels.

Advertising Income

GCT has managed internally a commercial bus advertising sales program since FY 2006-07, and continues to attract advertising contracts from both local and national companies. Projected revenues for FY 2010-11 are forecast to be approximately \$150,000, and the budget for FY 2011-12 forecasts remaining at the \$150,000 level.

Other revenue is also received from the sale of surplus property. The other revenue for FY 2011-12 is budgeted to be \$1,000.

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. GCT budgeted \$140,000 in STA funds in FY 2010-11; the allocation was somewhat higher and the difference has been carried forward to the FY2011-12 budget. Including that allocation, GCT has budgeted \$190,000 in STA for FY 2011-12.

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. Congress has not yet passed an authorization bill. Based on guidance from VCTC that the allocation could be an estimated 10% less than the previous year, GCT has for budget purposes estimated its Section 5307 funding allocation for FY 2011-12 to be \$2,916,100, to be as follows:

- \$ 540,000 for administration projects
- \$ 843,400 for paratransit assistance
- \$1,532,700 for preventive maintenance

By comparison, GCT's Section 5307 funding allocation for FY 2008-09 was \$3,580,319, for FY 2009-10 was \$3,297,552 and for FY 2010-11 was \$3,241,097.

For FY 2011-12 transit operations, GCT also will make use of funding initially programmed for the FY 2010-11 budget, including \$100,000 in ARRA funding for ADA paratransit assistance, \$50,000 in ARRA funding for fixed route operations, \$100,000 in Section 5307 funding for ADA paratransit assistance and \$100,000 in Section 5307 funding for preventive maintenance. GCT will claim FTA Congestion Mitigation and Air Quality (CMAQ) Improvement Program funds in FY 2011-12 for two demonstration projects; \$307,000 to operate the final year of a three-year demonstration service in Ventura (the Market-Valentine Shuttle), and \$271,000 to operate the first six months of a new three-year demonstration service serving the North Oxnard and unincorporated

County areas, the Vineyard-Rose route. Additionally, GCT will also claim \$150,000 from a Job Access Reverse Commute (JARC) program grant to operate the Gonzales Road/Goodwill route, primarily in Oxnard.

Table 14 summarizes grant funds in the FY 2011-12 operating budget.

TABLE 14
Grant Funded Revenue - FY 2011-12 Operating Budget

<u>Planning Assistance - Federal</u>	<u>Total</u>	<u>Federal</u>	<u>Local</u>
Transit Service Administration and Support	\$ 375,000	\$ 270,000	\$ 75,000
Marketing & Passenger Awareness Activities	\$ 325,000	\$ 234,000	\$ 65,000
Coordinated Paratransit Administration	\$ 50,000	\$ 36,000	\$ 10,000
 <u>Capital Assistance - Federal</u>			
ADA Paratransit Service	\$ 1,179,250	\$ 943,400	\$ 235,850
Preventive Maintenance	<u>\$ 2,040,875</u>	<u>\$ 1,632,700</u>	<u>\$ 408,175</u>
TOTAL 5307 Formula Grant Funds	<u>\$ 3,970,125</u>	<u>\$ 3,116,100</u>	<u>\$ 794,025</u>
 <u>Operating Assistance - Federal CMAQ and JARC</u>			
Gonzales Road/Goodwill - JARC Grant	\$ 150,000	\$ 150,000	\$ -
Vineyard-Rose Demonstration Service - CMAQ	\$ 271,000	\$ 271,000	\$ -
Market-Valentine Demonstration Service - CMAQ	<u>\$ 307,000</u>	<u>\$ 307,000</u>	<u>\$ -</u>
	<u>\$ 728,000</u>	<u>\$ 728,000</u>	<u>\$ -</u>
 <u>ARRA - Federal</u>			
Fixed Route Operations Support	\$ 50,000	\$ 50,000	
ADA Paratransit Service	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>
	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ -</u>
 STATE / LOCAL ASSISTANCE			
	<u>Total</u>	<u>State</u>	<u>Local</u>
STA			
State Transit Assistance	<u>\$ 190,000</u>	<u>\$ 190,000</u>	<u>\$ -</u>

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 Ventura County 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 2011-12 LTF revenues available to GCT's member agencies are projected to be higher than FY 2010-11 but significantly lower than in previous years; this reduction is the result of variable 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 2009-10 will be returned as a credit on the FY 2011-12 budget. The carryover from FY 2009-10 was \$835,495. 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 2008-09 to FY 2011-12.

TABLE 15

**Gold Coast Transit
Member Agency Local Funding Allocations by Service Mode
FY 2008-09 through FY 2011-12**

<u>Fixed Route Allocation</u>	<u>FY2008-09</u>	<u>FY2009-10</u>	<u>FY2010-11</u>	<u>FY2011-12</u>
Ojai	1.79%	0.75%	1.22%	1.16%
Oxnard	45.70%	50.16%	52.46%	51.95%
Port Hueneme	2.63%	2.60%	2.70%	2.64%
Ventura	36.53%	35.43%	31.81%	31.12%
Ventura County	<u>13.35%</u>	<u>11.07%</u>	<u>11.81%</u>	<u>13.13%</u>
	100.00%	100.00%	100.00%	100.00%
<u>Paratransit Allocation</u>	<u>FY2008-09</u>	<u>FY2009-10</u>	<u>FY2010-11</u>	<u>FY2011-12</u>
Ojai	3.01%	2.75%	2.82%	2.70%
Oxnard	52.38%	49.39%	51.25%	54.20%
Port Hueneme	9.40%	13.18%	9.04%	8.09%
Ventura	32.65%	29.84%	33.18%	31.91%
Ventura County	<u>2.56%</u>	<u>4.84%</u>	<u>3.71%</u>	<u>3.10%</u>
	100.00%	100.00%	100.00%	100.00%
<u>Overall Allocation</u>	<u>FY2008-09</u>	<u>FY2009-10</u>	<u>FY2010-11</u>	<u>FY2011-12</u>
Ojai	1.91%	0.92%	1.35%	1.31%
Oxnard	46.31%	50.09%	52.36%	52.19%
Port Hueneme	3.28%	3.51%	3.24%	3.19%
Ventura	36.20%	34.95%	31.93%	31.20%
Ventura County	<u>12.30%</u>	<u>10.53%</u>	<u>11.12%</u>	<u>12.11%</u>
	100.00%	100.00%	100.00%	100.00%

The allocation of the local TDA and non-TDA funds for operating expenses and capital project reserve funds (deferred this year) for member agencies appears in Table 3 on Page 12.

APPENDIX A – Operational Unit Expenditures

TABLE 16

**Expenditures: Fixed Route Operating Budget
FY 2009-10 through FY 2011-12**

<u>FIXED ROUTE</u>	<u>FY09-10 Budget</u>	<u>FY09-10 Actuals</u>	<u>FY10-11 Budget</u>	<u>Proposed Budget FY11-12</u>	<u>% +/- FY12 vs. FY11</u>
<u>Employees</u>					
Salaries	4,875,800	5,292,407	5,498,400	5,864,400	+6.7%
Health Benefits	807,000	847,117	886,000	1,041,400	+17.5%
WCI	876,000	589,610	661,200	652,400	(1.3%)
Retirement	927,000	959,795	1,031,200	1,217,200	+18.0%
Other Benefits	111,200	99,846	111,200	143,600	+29.1%
Uniforms	40,000	26,200	40,000	48,000	+20.0%
Medical Exams	27,000	22,854	26,000	31,000	+19.2%
Safety & Training	14,000	5,129	12,000	12,500	+4.2%
<u>Service/Supplies - Operational</u>					
Fuel/Lube	551,700	365,440	625,500	598,500	(4.3%)
Tires	85,000	22,347	80,000	80,000	+0.0%
Supplies	10,000	7,994	11,000	10,000	(9.1%)
Maintenance Agreements	18,000	7,396	10,000	10,000	+0.0%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	109,000	86,795	99,200	93,000	(6.3%)
TOTAL	\$8,451,700	\$8,332,929	\$9,091,700	\$9,802,000	+7.8%

TABLE 17

Expenditures: Paratransit Operating Budget
FY 2009-10 through FY 2011-12

<u>PARATRANSIT</u>	<u>FY09-10</u> <u>Budget</u>	<u>FY09-10</u> <u>Actuals</u>	<u>FY10-11</u> <u>Budget</u>	<u>Proposed</u> <u>Budget</u> <u>FY11-12</u>	<u>% +/-</u> <u>FY12 vs.</u> <u>FY11</u>
<u>Employees</u>					
Salaries	85,300	81,661	82,600	86,100	+4.2%
Health Benefits	4,400	0	0	5,500	
WCI	600	404	700	700	+0.0%
Retirement	17,000	16,722	16,700	18,300	+9.6%
Other Benefits	1,700	1,334	1,600	1,700	+6.3%
Uniforms	0	0	0	0	+0.0%
Medical Exams	300	226	300	300	+0.0%
Safety & Training	2,000	2,765	2,000	4,000	+100.0%
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	108,100	78,550	94,200	72,900	(22.6%)
Paratransit Service Contract	2,241,000	1,955,851	2,200,000	2,218,200	+0.8%
Schedules/Marketing	4,500	7,872	6,000	6,000	+0.0%
Maintenance Agreements	7,000	11,554	10,000	10,000	+0.0%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	1,000	955	1,000	1,000	+0.0%
TOTAL	\$2,472,900	\$2,157,894	\$2,415,100	\$2,424,700	+0.4%

TABLE 18

Expenditures: Maintenance Operating Budget
FY 2009-10 through FY 2011-12

<u>MAINTENANCE</u>	<u>FY09-10</u> <u>Budget</u>	<u>FY09-10</u> <u>Actuals</u>	<u>FY10-11</u> <u>Budget</u>	<u>Proposed</u> <u>Budget</u> <u>FY11-12</u>	<u>% +/-</u> <u>FY12 vs.</u> <u>FY11</u>
<u>Employees</u>					
Salaries	955,300	979,562	1,017,500	1,124,100	+10.5%
Health Benefits	133,400	155,853	170,400	179,500	+5.3%
WCI	97,300	65,490	82,200	85,400	+3.9%
Retirement	191,600	185,143	198,000	242,000	+22.2%
Other Benefits	21,600	35,854	25,900	41,000	+58.3%
Uniforms	12,000	8,394	12,000	13,600	+13.3%
Medical Exams	6,000	5,514	6,000	5,700	(5.0%)
Safety & Training	10,000	2,086	10,000	14,500	+45.0%
<u>Service/Supplies - Operational</u>					
Fuel/Lubricants	45,000	20,661	30,000	31,000	+3.3%
Tires	65,000	75,742	70,000	70,000	+0.0%
Repair Parts	535,000	455,348	535,000	583,000	+9.0%
CNG Fuel Station	175,000	42,514	170,000	170,000	+0.0%
Contract Repair	265,000	243,203	271,000	350,000	+29.2%
Supplies	120,700	92,252	120,700	119,200	(1.2%)
Warranty Recovery	0	-1,270	0	0	+0.0%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	59,500	40,798	52,500	52,200	(0.6%)
Contract Services	109,000	97,899	69,000	68,000	(1.4%)
TOTAL	\$2,801,400	\$2,505,043	\$2,840,200	\$3,149,200	+10.9%

TABLE 19

Expenditures: Administration Operating Budget
FY 2009-10 through FY 2011-12

<u>ADMINISTRATION</u>	<u>FY09-10</u> <u>Budget</u>	<u>FY09-10</u> <u>Actuals</u>	<u>FY10-11</u> <u>Budget</u>	<u>Proposed</u> <u>Budget</u> <u>FY11-12</u>	<u>% +/-</u> <u>FY12 vs.</u> <u>FY11</u>
<u>Employees</u>					
Salaries	730,600	710,585	700,600	718,700	+2.6%
Health Benefits	91,900	79,145	90,300	81,400	(9.9%)
WCI	4,600	3,096	5,700	5,500	(3.5%)
Retirement	141,000	138,774	139,900	145,400	+3.9%
Other Benefits	39,500	27,508	33,500	34,900	+4.2%
Medical Exams	1,000	361	600	600	+0.0%
Safety & Training	32,500	29,281	33,500	37,000	+10.4%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	26,500	19,463	24,200	23,300	(3.7%)
Insurance	478,500	459,175	470,000	473,300	+0.7%
Contract Services	134,000	40,177	76,500	81,000	+5.9%
Supplies	68,000	54,871	64,500	70,100	+8.7%
Legal	38,000	31,697	37,000	73,000	+97.3%
Audit	24,000	20,678	24,000	22,000	(8.3%)
Officers & Directors	45,000	30,486	40,000	40,000	+0.0%
Dues	37,000	32,529	35,000	35,000	+0.0%

TABLE 20

Expenditures: Planning And Marketing Operating Budget
FY 2009-10 through FY 2011-12

<u>PLANNING AND MARKETING</u>	<u>FY09-10 Budget</u>	<u>FY09-10 Actuals</u>	<u>FY10-11 Budget</u>	<u>Proposed Budget FY11-12</u>	<u>% +/- FY12 vs. FY11</u>
<u>Employees</u>					
Salaries	400,000	399,562	391,500	523,900	+33.8%
Health Benefits	35,100	38,667	48,100	63,000	+31.0%
WCI	2,800	1,885	3,200	4,000	+25.0%
Retirement	68,000	66,638	67,500	92,600	+37.2%
Other Benefits	11,700	9,739	11,700	15,000	+28.2%
Medical Exams	300	259	300	300	+0.0%
Safety & Training	3,600	1,506	2,000	3,000	+50.0%
<u>Service/Supplies - Operational</u>					
Tickets/Schedules	69,000	57,008	51,500	50,000	(2.9%)
Marketing	51,000	89,603	68,000	36,000	(47.1%)
OTC Facilities	10,500	10,297	11,000	11,500	+4.5%
<u>Service/Supplies - Support</u>					
Telephones/Utilities	1,000	990	1,000	1,000	+0.0%
Contract Services	<u>196,000</u>	<u>96,755</u>	<u>92,000</u>	<u>18,500</u>	(79.9%)
Total	\$849,000	\$772,908	\$747,800	\$818,800	+9.5%

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. Also included are any 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 administrative departments, 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 services, as well as 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).

Budget Addendum

After final contribution amounts were distributed to member agencies and prior to publication of the FY 2011-12 Budget and Financial Plan, an error caused by a misdirected spreadsheet link was discovered. The result of this error is that the return of the FY 2009-10 carryover was allocated among the GCT members based on the wrong year's contribution percentage. Since the correct total carryover dollar amount was used, there is no net impact to GCT's financial position.

At the point when this error was discovered, two City Councils had already approved the contribution and others had already committed to the previously presented dollar amount. In the interest of equity, the miscalculation will be resolved by adding an adjusting entry to the calculation of the FY 2010-11 carryover return to the FY 2012-13 member contribution. The calculation is as follows:

<u>Member Agency</u>	Calculation Incorrectly Applied to FY11-12 Contribution		Calculation as <u>it Should Have</u> <u>Been Applied</u> to FY11-12 Contribution		Adjustment to be Applied to FY10-11 carryover in FY 12-13 Budget
	<u>FY10-11</u> <u>Contribution</u> <u>Percentage</u>	<u>Carryover as</u> <u>applied to</u> <u>FY11-12</u> <u>Contribution</u>	<u>FY09-10</u> <u>Contribution</u> <u>Percentage</u>	<u>Carryover</u> <u>correctly</u> <u>applied to</u> <u>FY11-12</u> <u>Contribution</u>	<u>Correcting Entry will be</u> <u>applied in FY 12-13</u> <u>Budget Carryover</u> <u>Calculation</u>
Ojai	1.35%	(\$11,279)	0.92%	(\$7,687)	(\$3,592)
Oxnard	52.36%	(\$437,465)	50.09%	(\$418,499)	(\$18,966)
Port Hueneme	3.24%	(\$27,070)	3.51%	(\$29,326)	\$2,256
Ventura	31.93%	(\$266,774)	34.95%	(\$292,005)	\$25,231
Ventura County	11.12%	(\$92,907)	10.53%	(\$87,978)	(\$4,929)
TOTAL	100.00%	(\$835,495)	100.00%	(\$835,495)	\$0