

SAN JOAQUIN REGIONAL TRANSIT DISTRICT
BOARD OF DIRECTORS MEETING – NOTICE AND AGENDA
10:00 A.M. ON FRIDAY, JANUARY 19, 2024

The Board of Directors of the San Joaquin Regional Transit District (RTD) will hold a regular meeting at 10:00 a.m. on Friday, January 19, 2024, in the Boardroom of RTD's Downtown Transit Center, 421 East Weber Avenue, Stockton, California. Please visit <https://sanjoaquinrtd.com/board-of-directors/board-meeting-agendas-and-minutes/> for an electronic copy of this document. Materials related to an item on this agenda packet are available for public inspection at the above address.

ACCESSIBLE PUBLIC MEETINGS: RTD is committed to ensuring that all meetings are accessible regardless of an individual's ability or access method. RTD will make all reasonable accommodations for persons with disabilities to participate in this meeting. Upon request to the Chief Executive Office, RTD will provide agenda materials in appropriate alternative formats or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number, and a brief description of the requested materials, preferred alternative format, auxiliary aid, or service, at least three workdays before the meeting. Requests should be sent to RTD by mail at 421 East Weber Avenue, Stockton, CA 95202, by phone at (209) 467-6613, by fax at (209) 948-8516, or by email to BoardSupport@sjRTD.com.

The RTD Board of Directors may take action on each item on the agenda. The action may consist of the recommended action, a related action, or no action. Staff recommendations are subject to action and/or change by the Board of Directors.

For language assistance, interpreter services, please contact (209) 943-1111. Para información en Español, por favor llame al (209) 943-1111.

1. CALL MEETING TO ORDER
2. MOMENT OF SILENCE/REFLECTION
3. SAFETY ANNOUNCEMENT
4. PLEDGE OF ALLEGIANCE TO THE FLAG
5. ROLL CALL
6. PUBLIC COMMENT
All public comments shall be limited to no more than THREE MINUTES. In addition, applause, loud noises, or any other outbursts or disruptions from the

audience are not allowed during or after public comment. Those who violate this protocol may be removed from the meeting at the presiding officer's discretion.

7. ELECTION OF OFFICERS
8. SPECIAL PRESENTATIONS
 - A. RECOGNITION OF YEARS OF SERVICE FOR RETIRING EMPLOYEES
Special recognition of retiring employees for their years of service.
9. REPORTS
 - A. CHIEF EXECUTIVE OFFICER UPDATE
CEO Alex Clifford will provide an oral update on matters of relevance to RTD.
 - B. MARKETING UPDATE
Supervisor of Marketing and Customer Engagement Maximilian Cao will provide event updates.
 - C. FINANCIAL UPDATE
Finance Manager Ravi Sharma will provide December financial reports.
10. INFORMATION ITEMS
Reports are provided for information only. Staff will be available to answer any questions.
 - A. QUARTERLY UPDATE OF SOLICITATIONS
Report of current and anticipated solicitations.
 - B. QUARTERLY UPDATE OF CONTRACTS AWARDED
Report of contracts awarded October 1, 2023, through December 31, 2023.
 - C. FEDERAL LEGISLATIVE UPDATE
Report of Federal Legislative Updates prepared by Capital Edge Advocacy, Inc.
 - D. STATE LEGISLATIVE UPDATE
Report of State Legislative Updates prepared by Shaw Yoder Antwih Schmelzer & Lange.
 - E. COMMUTER ROUTE 120 INITIAL ANALYSIS FOR POTENTIAL DISCONTINUATION

Consideration to discontinue Route 120 by May of 2024.

11. CONSENT CALENDAR

- A. RESOLUTION: APPROVING THE MINUTES OF THE NOVEMBER 30, 2023, REGULAR BOARD OF DIRECTORS MEETING
Board approval of minutes.
- B. RESOLUTION: APPROVING THE FY2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) AND FY2023 SINGLE AUDIT REPORT
Board approval of FY2023 ACFR and FY2023 Single Audit Report.
- C. RESOLUTION: APPROVING UPCOMING BOARD OF DIRECTORS TRAVEL EXPENSES
Board authorization of upcoming Board member travel.
- D. RESOLUTION: APPROVING THE SAN JOAQUIN RTD INVESTMENT POLICY
Board approval of Investment Policy.
- E. ACCEPT AND FILE: CHECK REGISTER FOR THE MONTH OF DECEMBER 2023
Board acceptance and filing of Check Register for December 2023.

12. ACTION ITEMS

- A. RESOLUTION: AUTHORIZING THE CEO TO EXECUTE THE MEMORANDUM OF UNDERSTANDING (MOU) WITH AMALGAMATED TRANSIT UNION (ATU) LOCAL 256 FOR CONTRACTED TRANSPORTATION SERVICES FOR THE PERIOD APRIL 16, 2024 THROUGH APRIL 15, 2029
Board approval of an MOU with the ATU.

13. QUESTIONS AND COMMENTS FROM DIRECTORS AND STAFF

14. ADJOURNMENT

NOTE: THE NEXT REGULARLY SCHEDULED BOARD MEETING WILL BE ON FRIDAY, FEBRUARY 16, 2024, AT 10:00 A.M.

DATE POSTED: JANUARY 12, 2024



LEAD STAFF: JULIE SHERMAN, LEGAL COUNSEL

**REPORT: ELECTION OF THE CHAIRPERSON AND VICE CHAIRPERSON
OF THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT
(RTD) BOARD OF DIRECTORS FOR THE CALENDAR YEAR
2024**

I. SUMMARY

- Per section 4.02 of RTD's Rules of Procedure, an election for a Chairperson and a Vice Chairperson must occur annually as they serve a calendar year term.
- The Chairperson and Vice Chairperson shall be elected yearly at the board's first regular meeting in January.
- The election of the Chairperson and Vice Chairperson shall be conducted by the Secretary and the term shall commence at the close of the meeting.

II. DISCUSSION/BACKGROUND

Article IV of the Rules of Procedure for RTD which was revised on April 21, 2023 states:

The officers of the Board of Directors are a Chairperson, a Vice-Chairperson, and a Secretary.

The Chairperson and Vice-Chairperson shall be elected every year at the first regular meeting of the Board in January from among the Directors. The individuals serving as Chairperson and Vice-Chairperson are not prohibited from serving in those roles for consecutive years, if elected to do so.

The election of the Chairperson and Vice-Chairperson pursuant to these Rules of Procedure shall be conducted by the Secretary.

The term of office of the Chairperson and Vice-Chairperson shall commence at the close of the meeting at which the election is held and shall continue to the first regular meeting in January of the succeeding year at which time a successor has been elected. Provided, however, there shall be no change in the officers, other than in January, unless (a) it is necessary to fill or (b) upon the written request to the Secretary by three Directors. At least seven days' written notice of the intent to elect new officers shall be given by the Secretary to all Directors.

The Chairperson shall preside at all meetings of the Board of Directors and shall perform such duties as ordered by the Board or prescribed by law.

In the Chairperson's absence or inability to act, the Vice-Chairperson shall preside at all sessions of the Board and shall have such other duties as normally performed by the Chairperson.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priorities 1 and 4.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

None.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

No alternatives to consider, this is required by RTD's Rules of Procedure.

VII. ATTACHMENTS

None.

Prepared by: Erica Aguiñiga, Executive and Board Support Specialist II

VIII. APPROVALS

Alex Clifford, CEO



REVISED JANUARY 18, 2024



LEAD STAFF: MALIKA MCGEE, HUMAN RESOURCES DIRECTOR

REPORT: RECOGNITION OF YEARS OF SERVICE FOR RETIRING EMPLOYEES

I. SUMMARY

Brad Menil joined San Joaquin Regional Transit District (RTD) on April 30, 1993, as a Utility Worker and will retire on January 13, 2024, as a Maintenance Superintendent. RTD would like to recognize Brad for his 30 years of service.

Ting Yee joined RTD on March 18, 2002, as a Bus Operator and retired on December 12, 2023. RTD would like to recognize Ting for his 20 years of service.

Ronald Vliet joined RTD on April 4, 2006, as a Mechanic C and retired on December 20, 2023, as a Facilities Technician C. RTD would like to recognize Ron for his 17 years of service.

II. DISCUSSION/BACKGROUND

RTD has benefited from many employees who have chosen to spend a significant number of years with the agency. To recognize the years of service for retiring employees, RTD will present a certificate honoring the time employees have spent with RTD and thanking them for their service. Employees retiring after 15 years of service or more will receive a commemorative plaque.

Certificates and plaques will be presented to retiring employees in a special ceremony at the next scheduled RTD Board meeting following their retirement. On behalf of all RTD employees, Board members, customers, and the community, RTD management wishes to thank these employees for their service and contribution over the years.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board's Strategic Priority 1.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

The required funding of \$375.00 is included in the 2024 fiscal year's Customer Engagement Operating budget within the Recognition Awards – 414000-50932 account.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

N/A

VII. ATTACHMENTS

N/A

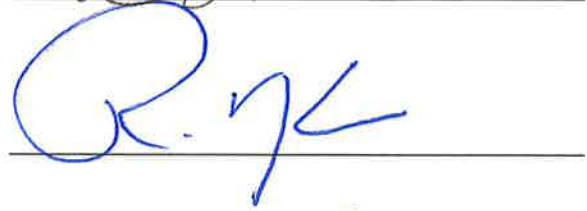
Prepared by: Ericka Franco, HR Administrator

VIII. APPROVALS

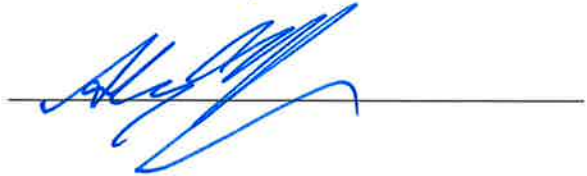
Manager Approval:
Malika McGee, HR Director

A handwritten signature in blue ink, appearing to read "Malika McGee", written over a horizontal line.

Financial Impact Approved:
Robert Kyle, CFO

A handwritten signature in blue ink, appearing to read "R. Kyle", written over a horizontal line.

Alex Clifford, CEO

A handwritten signature in blue ink, appearing to read "Alex Clifford", written over a horizontal line.



LEAD STAFF: ALEX CLIFFORD, CEO

REPORT: CHIEF EXECUTIVE OFFICER UPDATE

MEETINGS SINCE NOVEMBER 30, 2023

RTD participated in meetings of the following committees and organizations:

- **Annual Update on RTD Initiatives Meetings with CEO Alex Clifford:**
 - **African American Chamber of Commerce of San Joaquin County CEO/Executive Director Paulette Amous-Gross**
 - **Assemblyman Heath Flora**
 - **City of Stockton District 2 Council Member Dan Wright**
 - **City of Stockton Mayor Kevin Lincoln**
 - **City of Manteca Mayor Gary Singh, City Manager Toni Lundgren, Interim Assistant City Manager Jose Jasso, Public Works Director Carl Brown, Transit Supervisor Juan Portillo**
 - **City of Tracy Mayor Nancy Young, Interim City Manager Midori Lichtwardt, Assistant City Manager Karin Schnaider, Assistant City Manager Brian MacDonald**
 - **Representative Josh Harder's District Director Adam Cheshire**
 - **San Joaquin County Administrator Jay Wilverding**
 - **San Joaquin County District 2 Board of Supervisor Paul Canepa**
 - **San Joaquin County District 4 Board of Supervisor Steven Ding**
 - **San Joaquin County Hispanic Chamber of Commerce CEO Lisa Vela**
 - **Senator Alex Padilla**
 - **Senator Susan Eggman**
- **American Public Transportation Association Virtual Board of Directors Meeting:** CEO Alex Clifford
- **California Transit Indemnity Pool Board of Directors Meeting:** Safety, Security, and Risk Management Director Curtis Moses
- **California Association for Coordinated Transportation (CALACT) Board Meeting:** CEO Alex Clifford
- **CALACT Legislative Committee Meeting:** CEO Alex Clifford
- **California Transit Association State Legislative Committee Meeting:** CEO Alex Clifford
- **California Transit Indemnity Pool Board of Directors Meeting:** Safety, Security, and Risk Management Director Curtis Moses
- **Federal Legislative Bi-weekly Meetings with Chris Giglio of Capital Edge Advocacy Inc.:** CEO Alex Clifford

- **RTD Finance and Audit Committee Meeting:** CEO Alex Clifford, CFO Robert Kyle, Board Member Gary Giovanetti, Board Member Michael Restuccia, Finance Manager Ravi Sharma
- **San Joaquin Council of Governments (SJCOG) Technical Advisory Committee Meeting:** Government Affairs Director Ken Baxter, Grants Manager Eric Williams
- **SJCOG SB125 Working Group Meetings on January 9th and January 16th:** CEO Alex Clifford, Government Affairs Director Ken Baxter
- **San Joaquin Regional Rail Commission Board Meeting:** Government Affairs Director Ken Baxter, Grants Manager Eric Williams
- **State Legislative Bi-weekly Meetings with Michael Pimentel and Alchemy Graham of Shaw Yoder Antwih Schmelzer & Lange:** CEO Alex Clifford



**LEAD STAFF: MAXIMILIAN CAO, SUPERVISOR OF MARKETING AND
CUSTOMER ENGAGEMENT**

REPORT: MARKETING UPDATE

January 28 Service Change

RTD is committed to highlighting the merits of the enhanced frequency of all Local Routes, as well as the new Local Route 40, in its latest marketing campaign. The overarching goal is to emphasize the convenience our services bring in terms of reduced waiting times, simplified transfers, expanded accessibility, and overall timesaving. Moreover, we have initiated a promotional offer consisting of 14 all-day passes, promoting a simplified and contactless experience for new and existing customers via the Vamos Mobility app.

The campaign is designed to spotlight the broad range of destinations now conveniently reachable with the service enhancements. The intent is to stimulate interest and motivate riders to uncover the city's hidden gems and new experiences by presenting Stockton from a fresh perspective.

In addition, we are underscoring the better connections between routes and popular destinations that these changes will provide, emphasizing the benefits for education, employment, medical appointments, and other essential activities. This aims to demonstrate RTD's commitment to catering to the needs of underserved communities and improving transportation options for all.

The marketing strategy encompasses a multi-channel approach. This involves the website, email marketing, social media, radio, billboards, local bilingual magazine publications, and local press to effectively reach our target audience. The key message of our campaign underscores RTD's dedication to safety, reliability, and efficiency in public transportation and improvements of daily commute for all residents of Stockton.

Finally, we have set in motion direct community engagement initiatives to reach underserved communities in collaboration with community-based organizations. Through hosting informational sessions, these initiatives allow individuals to gain clarity about the service changes, ask questions, and give feedback.

Special Bus Unveiling in Honor of Rosa Parks

RTD is proud to announce the unveiling of a special bus wrap in honor of civil rights icon Rosa Parks. The bus will be presented to the public on February 2, 2024, at the Downtown Transit Center at 10 a.m. The unveiling is a tangible manifestation of RTD's

commitment to acknowledging the significant contributions made by individuals like Rosa Parks toward the fight for equality and civil rights.

This unique tribute, created in partnership with the Prince Hall Masonic Grand Lodge of California and NAACP Stockton, aims to celebrate Rosa Parks' legacy. The bus will launch into service following the event, going towards the weekend of Mrs. Parks' birthday on February 4, allowing the community to view and appreciate it.

The event will feature speeches from local civil rights leaders and activists, highlighting Rosa Parks' impact on city, state, and federal bills related to equality. RTD will also touch on Transit Equity Day and how it aligns with the values championed by Rosa Parks. The event will also include light refreshments and an opportunity for attendees to take pictures with the bus.



LEAD STAFF: RAVI SHARMA, FINANCE MANAGER

REPORT: FINANCIAL UPDATE

I. SUMMARY

- A brief analysis of San Joaquin RTD's financial status is prepared monthly to inform the Board of Directors regarding RTD's actual revenues and expenses in relation to the adopted operating budget for the fiscal year.
- Cash inflows, outflows, projections, and finance metrics are also included.

II. DISCUSSION/BACKGROUND

Attached is the Operating Revenue and Expense summary report for the fiscal year to date ending December 31, 2023. The fiscal year (FY) has elapsed 50%.

Revenues

Passenger fare revenues are higher than the budget level due to higher bus pass sales and cash fares collected as a result of the increase in ridership. Non-Transportation revenues are higher because we received interest income from the county treasury funds. Federal 5307 revenue is lower than the budget because reimbursable actual expenses for Mobility Management are less than projected as a result of vacant positions. Local Transportation Funds (LTF) revenue is slightly lower due to reimbursable actual expenses for Consolidated Transportation Services Agency (CTSA) are less than projected as a result of vacant positions. Overall, actual total revenues are marginally higher than the budget revenue level.

Expenses

The overall total expenses compared to the budget level are lower mainly due to lower labor and fringe expenses as a result of vacant positions. Service expenses are higher than the budget due to increased use of temporary help to fill the vacant non-represented positions. Purchase transportation expenses are higher due to increased demand for Para-transit services.

Cash Basis and Projection

The fiscal year to date cash basis has a negative result because we haven't received any Federal 5307 grant funds yet. We anticipate the 5307 agreement will be executed later this month.

The 12-months cash flow projection includes capital and operating cash inflows and outflows.

Finance Metrics

The finance metrics are a set of quantifiable measures that RTD can use to gauge its performance and determine if it meets its strategic and operational goals. The metrics may provide RTD to make data-driven decisions that eventually provide improved service to the community.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board's Strategic Priorities 3 and 4.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

Favorable budget variances in Operating Revenue and Expenses contribute to favorable budget variance in Operating Balance as of December 31, 2023.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

There are no alternatives to consider as this is a Monthly Financial Report.

VII. ATTACHMENTS

Attachment A: Fiscal year-to-date monthly financial report for the period ending December 31, 2023

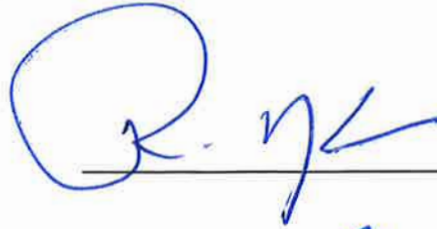
Attachment B: Cash flow projections

Attachment C: Fiscal year-to-date finance metrics

Prepared by: Ravi Sharma, Finance Manager

VIII. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

San Joaquin RTD
FY2024 Revenue & Expense Summary
For the Period Ending December 31, 2023

	Current Month				FYTD				Fiscal Year	FYTD Cash Flow (amounts in 000's)	
	Actual	Budget	Variance \$	Variance %	Actual	Budget	Variance \$	Variance %		OPERATING	CAPITAL
REVENUES										INFLow	
PASSENGER FARES & SPECIAL FARES	\$ 244,801	\$ 184,369	60,432	33%	\$ 1,363,599	\$ 1,106,214	257,385	23%	\$ 2,212,428	1,364	-
NON-TRANSPORTATION REVENUES	204,915	93,344	111,571	120%	1,246,291	560,063	686,228	123%	1,120,126	1,169	-
FEDERAL GRANTS (5307)	548,469	584,120	(35,651)	-6%	3,259,767	3,504,719	(244,951)	-7%	7,009,438	105	-
FEDERAL GRANTS (5311)	46,781	46,781	0	0%	280,689	280,689	0	0%	561,377	550	-
PROPERTY TAXES	111,366	111,366	0	0%	668,193	668,193	0	0%	1,336,386	744	-
TDA - STA	14,583	14,583	0	0%	87,500	87,500	0	0%	175,000	-	4,616
TDA - LTF	2,656,815	2,696,950	(40,135)	-1%	15,972,216	16,181,700	(209,483)	-1%	32,363,399	13,430	-
LCTOP	133,515	133,515	0	0%	801,088	801,088	0	0%	1,602,176	1,602	-
MEASURE K	475,459	475,503	(44)	0%	2,852,741	2,853,015	(275)	0%	5,706,030	1	-
FEDERAL CRRSA (5311)	93,272	93,272	0	0%	559,631	559,631	0	0%	1,119,262	-	-
FEDERAL ARPA (5310)	-	-	-	0%	57,396	-	57,396	0%	-	77	-
FEDERAL CARES Act (5311)	-	-	-	-	-	-	-	-	-	57	-
FEDERAL CRRSA (5310)	-	-	-	-	-	-	-	-	-	119	-
CAPITAL PROJECTS CASH INFLOW	-	-	-	-	-	-	-	-	-	-	832
TOTAL REVENUES	\$ 4,529,976	\$ 4,433,802	96,174		\$ 27,149,112	\$ 26,602,811	546,300		\$ 53,205,623	-	-
CASH INFLOW OPERATING & CAPITAL										19,219	5,448
TOTAL CASH INFLOW										24,667	
EXPENSES										OUTFLOW	
WAGES AND FRINGE BENEFITS	2,590,776	3,074,517	483,741	16%	14,305,634	18,447,102	4,141,468	22%	36,894,204	15,419	-
SERVICES	518,894	401,298	(117,596)	-29%	2,850,851	2,407,790	(443,061)	-18%	4,815,580	2,981	-
MATERIALS & SUPPLIES	297,570	305,825	8,255	3%	1,806,407	1,834,949	28,543	2%	3,669,899	3,266	-
UTILITIES	83,040	105,870	22,830	22%	558,104	635,221	77,118	12%	1,270,443	469	-
INSURANCE	119,368	161,549	42,181	26%	708,240	969,294	261,054	27%	1,938,589	1,389	-
TAXES	7,583	24,086	16,503	69%	183,783	144,516	(39,267)	-27%	289,031	128	-
PURCHASED TRANSPORTATION	244,742	191,639	(53,103)	-28%	1,181,556	1,149,832	(31,724)	-3%	2,299,663	1,283	-
MISCELLANEOUS EXPENSES	53,353	169,018	115,665	68%	338,756	1,014,108	675,351	67%	2,028,215	248	-
CAPITAL PROJECTS CASH OUTFLOW	-	-	-	-	-	-	-	-	-	-	761
TOTAL EXPENSES	\$ 3,915,326	\$ 4,433,802	518,476		\$ 21,933,330	\$ 26,602,811	4,669,481		\$ 53,205,623	-	-
CASH OUTFLOW OPERATING & CAPITAL										25,183	761
TOTAL CASH OUTFLOW										25,944	
Net Revenue (Deficit)	614,650	-	614,650		5,215,781	-	5,215,781		-	-1,277	

Funds used to bridge the cash shortfall:

Reserves

1,277

Explanation for unfavourable variances greater than 5%

REVENUES

FEDERAL GRANTS (5307) = Federal 5307 is lower than the budget because reimbursable actual expenses for Mobility Management are less than projected as a result of vacant positions.

EXPENSES

SERVICES = Service expenses are higher than the budget due to increased use of temporary help to fill the vacant non-represented positions.

PURCHASED TRANSPORTATION = Purchase transportation expenses are higher than the budget due to increased demand for Para-transit services.



Attachment B
Cover Page

Twelve Months Cash Flow Projection (amounts in 000's)

	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24
Beginning Cash Balance	\$65,189	\$63,695	\$64,748	\$63,556	\$64,509	\$64,556	\$66,819	\$65,887	\$64,675	\$63,243	\$61,811	\$60,379
Add: Projected Cash Inflow	2,935	5,143	2,928	5,083	4,138	6,353	3,158	2,877	2,658	2,658	2,658	2,658
Less: Projected Cash Outflow	-4,429	-4,090	-4,120	-4,130	-4,090	-4,090	-4,090	-4,090	-4,090	-4,090	-4,090	-4,090
Projected Month-end Cash Balance	\$63,695	\$64,748	\$63,556	\$64,509	\$64,556	\$66,819	\$65,887	\$64,675	\$63,243	\$61,811	\$60,379	\$58,947

OPERATING CASH INFLOWS:

Fare Revenue	245	145	145	145	145	145	145	145	145	145	145	145
Advertising, Rental, Interest & Other Income	10	213	13	13	263	13	13	13	13	13	13	13
Federal 5307		500		1,000		1,000	500					
Federal 5311					561							
Property tax Revenue	727				668							
TDA-LTF	1,875	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Measure K Operating		1,425		1,425		1,425						
Federal 5311 CRRSAA		360	270			270		219				
Federal 5310 ARPA	57											
Projected Operating Cash Inflow	2,915	5,143	2,928	5,083	4,138	5,353	3,158	2,877	2,658	2,658	2,658	2,658

OPERATING CASH OUTFLOWS:

Payroll and Payroll Related Expenses	3,097	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Accounts Payable Check-runs	970	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Purchased Transportation Invoices	362	190	190	190	190	190	190	190	190	190	190	190
Measure K loan Interest to SJCOG				40								
Projected Operating Cash Outflow	4,429	4,090	4,090	4,130	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090

Net Operating Cash Flow	-1,515	1,053	-1,162	953	48	1,263	-932	-1,213	-1,432	-1,432	-1,432	-1,432
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CAPITAL CASH INFLOWS:

TDA-STA Capital						1,000						
STEP Grant	20											
Projected Capital Cash Inflow	20	0	0	0	0	1,000	0	0	0	0	0	0

CAPITAL CASH OUTFLOWS:

Engine Rebuild			30									
Projected Capital Cash Outflow	0	0	30	0	0	0	0	0	0	0	0	0
Net Capital Cash Flow	20	0	-30	0	0	1,000	0	0	0	0	0	0

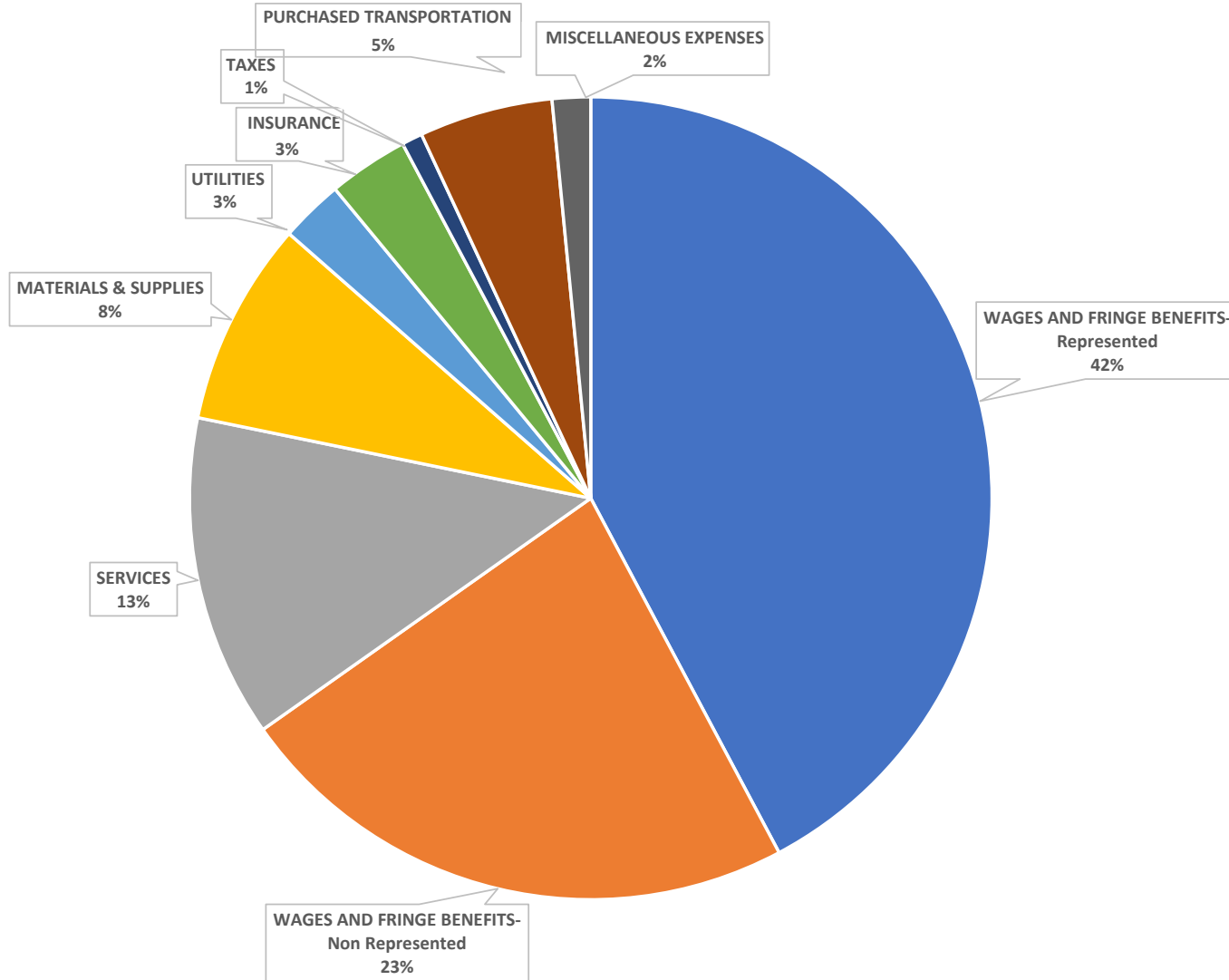
Funds Kept at:

Bank of Stockton	1,869
County Treasury	61,826
Total	63,695



Attachment C
Cover Page

FY2024 Actual Operating Expenses as of December 31, 2023 \$21,933,330



FY2024 Expenses as of December 31, 2023 \$21,933,330

WAGES AND FRINGE BENEFITS-Represented	9,260,968	42%
WAGES AND FRINGE BENEFITS-Non Represented	5,044,665	23%
SERVICES	2,850,851	13%
MATERIALS & SUPPLIES	1,806,407	8%
UTILITIES	558,104	3%
INSURANCE	708,240	3%
TAXES	183,783	0.8%
PURCHASED TRANSPORTATION	1,181,556	5%
MISCELLANEOUS EXPENSES	338,756	1.5%
	<u>21,933,330</u>	<u>100%</u>



LEAD STAFF: SYLVESTER DONELSON, JR., DIRECTOR OF PROCUREMENT

REPORT: QUARTERLY UPDATE OF SOLICITATIONS

I. SUMMARY:

- This report provides the Board of Directors (Board) with a list of all current and upcoming formal solicitations.
- The financial considerations are listed in Attachment A of this report.

II. DISCUSSION/BACKGROUND

The purpose of this report is to provide the Board an opportunity to review and comment on all current and upcoming formal solicitations before they are recommended to the Board for award.

The thresholds for formal solicitations are as follows:

- \$250,000+ for services
- \$75,000+ for materials, supplies, and equipment
- \$3,000+ for FTA funded public works
- \$200,000+ for non-FTA funded public works (CUPCCAA)

Attachment A lists all formal solicitations that are currently advertised and anticipated to be advertised for the upcoming quarter.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board's Strategic Priorities 3 and 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

See Attachment A.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

N/A

VII. ATTACHMENTS

Attachment A: Quarterly Update of Solicitations

Prepared by: Sylvester Donelson, Jr., Director of Procurement

VIII. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO

A handwritten signature in blue ink, appearing to be "R. Kyle", written over a horizontal line.

Alex Clifford, CEO

A handwritten signature in blue ink, appearing to be "Alex Clifford", written over a horizontal line.



Attachment A
Cover Page

QUARTERLY UPDATE OF SOLICITATIONS

Solicitation Number	Solicitation Released Date or Anticipated Released Date	Title	Estimated Award Date	Funding Source	Estimated Amount	Procurement Type
24012-C	November	Furnishing and Installation of Water Stripper System	January	Operating	\$100,000	Bid
24016-S	November	Landscaping Services at MTS, HTS, RTC, UTS, and Empty Lots	January	Operating	\$198,341	Bid
23011-S	January	CTC Slurry Seal and Restriping	March	Operating	\$150,000	Bid
23174-C	January	CTC Backlot Resurface	March	Operating	\$184,500	Bid



LEAD STAFF: SYLVESTER DONELSON, JR., DIRECTOR OF PROCUREMENT

REPORT: QUARTERLY UPDATE OF CONTRACTS AWARDED

I. SUMMARY:

- This report provides the Board of Directors (Board) with a list of all contracts awarded within the second quarter of FY 2024 (October – December 2023).
- Contracts are listed based on the CEO and Board Contracting Levels.
- The financial impact is listed in Attachment A of this report.

II. DISCUSSION/BACKGROUND

The purpose of this report is to provide the Board with a summary of contracts awarded within the CEO's authority, Board approved contracts, and emergency ratification contracts.

The report is provided quarterly, pursuant to Section 1.3 Organizational Structure of RTD's Procurement Manual.

Attachment A lists contracts awarded from October 1, 2023, through December 31, 2023.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board's Strategic Priorities 3 and 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

See Attachment A.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

N/A

VII. ATTACHMENTS

Attachment A: Contracts Awarded for the second quarter of FY 2024

Prepared by: Sylvester Donelson, Jr., Director of Procurement

VIII. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

QUARTERLY UPDATE OF CONTRACTS AWARDED FOR THE SECOND QUARTER OF FY 2024

Award Date	Contract Number	Company Name	Title	Contract Amount	Funding Source	Capital/ Operating	Location	DBE
CEO APPROVED CONTRACTS								
10/25/2023	24037-M	Holt of California	Portable Light Towers	\$38,999	Federal 5307 (1% Security)	Capital	Stockton, CA	No
12/13/2023	24041-C	CentralSquare	One Solution	\$169,000	LTF	Operating	Tampa, FL	No
12/22/2023	24045-C	Vontas	TransitMaster	\$149,812	LTF	Operating	Cedar Rapids, IA	No
BOARD APPROVED CONTRACTS								
10/20/2023	23133-C	Creative Sales	Cutaway Replacements	\$1,575,000	STA	Capital	Sacramento, CA	No
11/01/2023	24021	Van De Pol	Renewable Diesel Fuel	\$7,500,000	LTF	Operating	Lodi, CA	N/A



LEAD STAFF: CHRIS GIGLIO, CAPITAL EDGE ADVOCACY, INC.

REPORT: FEDERAL LEGISLATIVE UPDATE

CONGRESS

November 2023: Congress enacted another short-term Continuing Resolution (CR) to keep government operations running through early 2024. House Speaker Michael Johnson (R-LA) crafted the CR using a “laddered” approach, where some agencies would be funded at their FY 2023 levels through January 19, 2024 (including the Department of Transportation), while others would be extended through February 2.

The CR approved was regarded as “clean,” meaning it contained no deep budget cuts or policy changes that many House conservative Republicans sought.

December 2023: With a budget CR lasting into calendar year 2024, Congress took the opportunity to take a Holiday break and adjourned for the year in mid-December. Even with no formal legislating occurring, negotiations between House and Senate leaders over spending for an FY 2024 budget continued, with no significant breakthroughs.

January 2024: The House and Senate returned to Capitol Hill the second week of January with the completion of an FY 2024 budget at the top of the to-do list. Emergency aid for Ukraine, Israel, and the southern U.S. border are priorities for the first part of the year in Congress.

House and Senate leaders in early January announced they had agreed on the “top-line” spending number for FY 2024. The \$1.7 trillion level is agreed upon for FY 2024 in the bipartisan debt limit deal enacted in the spring of 2023. However, House Republicans considered that funding level to be a ceiling, and not a floor, and crafted its version of an FY 2024 budget last summer at significantly lower levels.

Even with a top-line spending level agreed to, it will take some time to craft the final budget and enact specific funding levels for federal programs. As a result, another short-term CR is likely prior to January 19. The top-line agreement is good news for the Department of Transportation budget, which will likely see funding levels in FY 2024 at the levels authorized in the 2021 infrastructure law.

Also, while the ultimate budget agreement may have the votes to pass the House and Senate (possibly by mid-February), the same House conservatives that deposed former Speaker Kevin McCarthy (R-CA) could conceivably object to the deal Speaker Johnson made by removing him from his position as well. In addition to seeking deeper cuts

than the bipartisan debt limit deal allows for, they also are insisting that significant changes to immigration policy also be included along with a budget deal.

Speaking of former Speaker McCarthy, he officially resigned from Congress at the end of 2023, leaving his Bakersfield-area congressional seat open until a special election can be held in a few months.

Impact on RTD: *The final FY 2024 USDOT budget could be finalized by mid-February and is likely to adhere to funding levels for FTA formula programs enacted in the 2021 infrastructure law, which would amount to a small increase (about 2%) to the Section 5307 program over FY23 levels.*

FEDERAL GRANT OPPORTUNITIES, AWARDS & NOTICES

December 21: FTA is extending the comment period for the proposed rulemaking regarding transit worker hours of service and fatigue risk management from December 29 to January 29: <http://tinyurl.com/4yx5mn6j>

December 21: FTA is also extending the comment period for the proposed rulemaking regarding FTA's State Safety Oversight program from January 16 to February 15: <http://tinyurl.com/yc6refdz>

December 20: The Federal Highway Administration (FHWA) is soliciting applications for the Bridge Investment Program: <http://tinyurl.com/2h4k8a3r>

December 20: FTA issued a proposed general directive requiring transit agencies to provide information to FTA on how it is assessing, mitigating, and monitoring the safety risk associated with assaults on transit workers. Public comments are due February 20: <http://tinyurl.com/3afaw52n>

December 19: FHWA published an updated edition of its "Manual on Uniform Traffic Control Devices for Streets and Highways": <http://tinyurl.com/yej8wc6a>

December 8: Federal Railroad Administration awarded \$8.2 billion in grants through its Federal-State Partnership for Intercity Passenger Rail Program and the Corridor Identification and Development Program: <https://tinyurl.com/24vha43k>

November 30: DOT is seeking applications for \$1.5 billion in discretionary funding through the FY 2024 RAISE grant program. Awards of up to \$25 million are available and a minimum 20 percent match is required. Applications are due February 28: <https://tinyurl.com/mw3knuh7>

November 30: The Federal Transit Administration announced the availability of \$343 million in competitive grants under the FY 2024 All Stations Accessibility Program to

improve accessibility at rail stations constructed prior to the implementation of the 1990 Americans with Disabilities Act: <https://tinyurl.com/2jaskejp>

November 15: The Federal Transit Administration (FTA) announced the availability of \$4.7 million in FY 2023 Innovative Coordinated Access and Mobility (ICAM) pilot program funding for regional and statewide mobility management capital projects for disadvantaged populations. Applications are due February 13:
<https://tinyurl.com/4zm9sryd>

November 15: FTA proposes revisions to the State Safety Oversight regulation of rail fixed guideway public transportation systems. Public comments are due January 16:
<https://tinyurl.com/yjzspnrb>

Impact on RTD: Information purposes only.



LEAD STAFF: **MICHAEL PIMENTEL, EXECUTIVE DIRECTOR**
 SHAW YODER ANTWH SCHMELZER & LANGE
 ALCHEMY GRAHAM, LEGISLATIVE & REGULATORY
 ADVOCATE

REPORT: **STATE LEGISLATIVE UPDATE**

Legislative Update

The Legislature returned to Sacramento on January 3 to convene the second year of the two-year 2023- 24 Legislative Session. Immediately upon their return, the Legislature’s policy committees began to hear and act on bills introduced in the first year of the two-year session that did not move out of their first house (these bills are commonly referred to as “two-year bills”). Per the adopted 2024 Legislative Calendar, two-year bills still in their first policy committee are required to be acted on by January 22 to remain active, and all two-year bills must pass their first house by January 31. On January 10, Governor Newsom released his proposed Fiscal Year 2024-25 State Budget. For more information about key legislative and budget deadlines, see the adopted 2024 Legislative Calendar, which is available [here](#).

In this report, we provide an update on the Governor’s proposed Fiscal Year 2024-25 budget, changes to the California State Assembly’s policy and fiscal committees, the timeline for the leadership change in the California State Senate, the California State Transportation Agency’s Transit Transformation Task Force, and funding for zero-emission buses and infrastructure.

Potential Impact to RTD: N/A – General Update

Governor Newsom Releases Proposed FY 2024-25 Budget

On January 10, Governor Newsom released his proposed [Fiscal Year \(FY\) 2024-25 budget](#), based on the latest economic forecasts available to the Governor and his Department of Finance. Responding to a \$37.9 billion budget deficit, the \$291.5 billion budget proposes to implement a series of funding delays and shifts (between fund sources) to maintain the state’s commitments to addressing its top priorities.

Specific to public transportation, the Governor’s proposed budget preserves the \$5.1 billion for transit operations and capital projects included in the Budget Act of 2023-24 (and commonly referred to as “SB 125 funding”) but delays the appropriation of some of this critical funding to address the state’s budget problem.

Specifically, the Governor's proposed budget:

- Holds harmless the \$2 billion appropriated to the population-based Transit and Intercity Rail Capital Program in FY 2023-24.
- Holds harmless the \$1.1 billion appropriated to the Zero-Emission Transit Capital Program between FY 2023-24 and FY 2027-28.
- Extends the appropriation timeline for the \$2 billion that the state committed to appropriate to the population-based TIRCP in FY 2024-25 by instead appropriating \$1 billion in FY 2024-25 and the remaining \$1 billion in FY 2025-26.

The maintenance of these funds is supported by a shift of \$261 million in General Fund expenditures to the Greenhouse Gas Reduction Fund.

Additionally, the Governor's proposed budget delays the appropriation of a portion of funding for TIRCP Cycle 6 (i.e. funding committed in FY 2022-23 that was awarded at the beginning of calendar year 2023 for new and existing transit projects), totaling \$2.1 billion, by applying an analysis of the cashflow needs of award recipients. The maintenance of these funds is supported by a shift of \$530 million in General Fund expenditure to the Greenhouse Gas Reduction Fund.

The Governor's proposed budget also modifies the \$10 billion commitment to zero-emission vehicles and infrastructure made in the Budget Acts of 2021-22 and 2022-23. Chiefly, the Governor's proposed budget includes \$38.1 million in cuts to various zero-emission vehicle programs, \$475.3 million in fund shifts from the General Fund to Greenhouse Gas Reduction Fund for various zero-emission vehicle programs, and delays \$600 million in Greenhouse Gas Reduction Fund expenditures in various zero-emission vehicle programs. As these cuts, fund shifts, and delays are made to categorical investments, not specific programs, it is unclear at this time what impact they will have on transit-supportive programs, like the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project.

Finally, the Governor's proposed budget presents the projected funding levels for transit funding programs. On the next page, we provide a summary of these funding levels – note that an estimate for LTF for FY 2024-25 is not yet available.

REVENUE ESTIMATES FOR FY 2023-24 & 2024-25 @ GOVERNOR'S BUDGET (JAN. 10)			
FUNDING SOURCE	FY 2023-24 (CY)	FY 2024-25 (BY)	CHANGE (CY → BY)
STA			
Base Rate (2.375%)	\$284,674	\$303,760	\$19,086
Incremental Rate (1.75%)	\$195,119	\$209,182	\$14,063
SB 1 Rate (3.5%)	\$390,237	\$418,364	\$28,127
STA SOGR (30% of TIF)	\$125,619	\$129,388	\$3,769
Subtotal	\$995,648	\$1,060,693	\$65,044
Intercity & Commuter Rail			
Base Rate (2.375%)*	\$284,674	\$303,760	\$19,086
SB 1 Rate (0.5%)	\$55,748	\$59,766	\$4,018
Subtotal	\$340,422	\$363,526	\$23,104
TIRCP			
Cap & Trade (10% of GGRF)**	\$429,000	\$365,000	-\$64,000
SB 1 (70% of TIF)	\$293,111	\$301,904	\$8,793
Subtotal	\$722,111	\$666,904	-\$55,207
LCTOP			
Cap & Trade (5% of GGRF)**	\$214,500	\$182,500	-\$32,000
Local Sales and Use Tax (.25%)	\$2,097,525	TBD	TBD
TOTAL	\$4,370,206	\$2,273,623	\$942
<i>*Funds used for additional Caltrans purposes</i>			
<i>**Amounts reflect anticipated auction revenues for each FY</i>			

With the Governor's proposed budget now released, the Senate Budget and Fiscal Review Committee and Assembly Budget Committee will begin the difficult and months long work of developing the Budget Act of 2024-25. This work will begin with hearings in the week of January 15 to conduct an initial review of the Governor's proposed budget and to hear from budget committee members and stakeholders on their priorities. Following this initial review, the budget committees will direct specific budget proposals (by agency/department and program) to the budget subcommittees with jurisdiction over these agencies/departments and programs. The transportation and climate investments described above will be reviewed by the Senate Budget Subcommittee No. 2 and 5 and the Assembly Budget Subcommittee No. 4. The budget subcommittees in both houses will continue their review of these specific budget proposals and to take in feedback from budget committee members and stakeholders through early May and then continue their work after the Governor releases his May Revise (i.e. the Governor's mid-year budget) on May 15. The Legislature will have until June 15 to pass a budget.

Potential Impact to RTD: The Governor's proposed budget will be subject to months of review and discussion by the Legislature and stakeholders. Proposals included in the Governor's proposed budget may, and are likely to, change before the final budget is passed and the Budget Act of 2024-25 is enacted in late June. As such, the Governor's proposed budget will not have a direct impact on RTD or its programs.

That said, the proposed extension of the appropriation timeline for the appropriation of the second tranche of population based TIRCP may influence the ongoing discussions at San Joaquin Council of Governments regarding the use of SB 125 funding in the region.

Speaker Rivas Announces Key Committee Chairs and Members

On November 21, 2023, Assembly Speaker Robert Rivas (D-Salinas) announced his much-anticipated changes to policy and fiscal committee chairs in the Assembly. While the change for the Appropriations Committee Chair will not take effect until January 22, 2024, the others were effective immediately upon the start of the legislative year. Some key changes for committees impacting transportation policy and funding programs are:

- Assembly Transportation Committee Chair Lori Wilson (D-Fairfield)
- Assembly Appropriations Committee Chair Buffy Wicks (D-Oakland)
- Assembly Budget Subcommittee #4 (Climate Crisis, Resources, Energy, and Transportation) Chair Steve Bennett (D-Ventura) [this appointment reflects a broader jurisdiction for the subcommittee]
- Assembly Budget Committee Chair Jesse Gabriel (D-Encino)
- Assembly Utilities and Energy Committee Chair Cottie Petrie-Norris (D-Irvine)
- Assembly Natural Resources Committee Chair Isaac Bryan (D-Los Angeles)
- Assembly Housing Committee Chair Chris Ward (D-San Diego)

Additionally, on December 27, 2023, Assembly Speaker Rivas announced the full rosters for the Assembly's various policy and fiscal committees. RTD's Assembly delegation received the following appointments to committees impacting transportation funding programs and policies.

- Assembly Member Carlos Villapudua (D-Stockton)
 - Assembly Appropriations Committee
- Assembly Member Heath Flora (R-Ripon)
 - Assembly Budget Committee
 - Assembly Budget Subcommittee #4
 - Assembly Natural Resources Committee
 - Assembly Joint Legislative Committee on Climate Change Policies

Potential Impact to RTD: The appointment of new chairs and members to the California State Assembly's policy and fiscal committees will help usher in new priorities for the lower house. As of the drafting of this report, it is too early to identify these new priorities or their impacts on RTD. We will monitor the relevant policy and fiscal committees in the months ahead and advise RTD's CEO and government affairs staff of the trends we observe. The appointment of RTD's Assembly delegation to key committees impacting transportation policy and funding programs will help ensure that RTD's interests are well represented in discussions in Sacramento.

California State Senate Announces Timeline for Leadership Transition

On December 4, 2023, the California State Senate announced that incoming Senate President pro Tempore Mike McGuire (D-Healdsburg) will take the gavel from current Senate President pro Tempore Toni Atkins (D-San Diego) on February 5, 2024.

Following his inauguration as Senate President pro Tempore, Senator McGuire will name his new Senate leadership team and likely appoint new chairs to various Senate committees.

Potential Impact to RTD: As previously discussed, the accession of Senator Mike McGuire to the role of Senate President pro Tempore will help elevate the voice and priorities of rural and small urban communities in the California State Senate at a time when such voices and priorities are gaining new traction in the California State Assembly. This greater voice is likely to benefit regions, like RTD's, and better ensure that state policy and funding solutions meet the needs of rural and small urban communities.

California State Transportation Agency's Transit Transformation Task Force

On December 8, 2023, the California State Transportation Agency (CalSTA) announced the appointment of [25 members to the state's Transit Transformation Task Force](#). Established pursuant to SB 125 (Budget and Fiscal Review) [Chapter 54, Statutes of 2023], the Task Force will develop policy recommendations to grow transit ridership, improve the transit experience, and address long-term operational needs. These recommendations will address, among other things, funding for public transit capital and operations and reform to the Transportation Development Act.

On December 19, 2023, CalSTA convened the Task Force for its kick-off meeting. The meeting, which was open to the public and industry stakeholders, featured member introductions, an update on Task Force structure and schedule, and public comments. The Task Force will next convene in February 2024 and then every other month through the end of the year. The Task Force is charged with delivering a report of findings and recommendations to the Legislature by October 31, 2025. The Task Force is subject to the state's open meeting requirements for state bodies, known as Bagley-Keene, and as such, all agenda materials will be available on [CalSTA's website](#).

Potential Impact to RTD: As noted above, the Transit Transformation Task Force is charged with developing policy recommendations on a broad set of topics impacting public transit. The recommendations, if acted on by the Legislature and approved by the Governor, could result in new funding for public transit capital and operations, amendments to state laws and regulations that govern capital project delivery and operations, and changes to the Transportation Development Act's accountability and performance metrics.

CARB Adopts FY 2023-24 Funding Plan for Clean Transportation Incentives

On November 16, the California Air Resources Board adopted its [Proposed Fiscal Year \(FY\) 2023-24 Funding Plan for Clean Transportation Incentives](#). The Funding Plan includes no new funding for the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project, commonly known as HVIP. Instead, the Funding Plan acknowledges that HVIP Standard (open to truck and bus projects) and HVIP Transit (open to bus

projects) retain significant budget capacity from previous years. Specifically, HVIP Standard retains \$312 million from FYs 2021-22 and 2022-23; and HVIP Transit retains \$111 million from FYs 2021-22 and 2022-23. The Funding Plan includes a policy change to increase the current annual voucher cap for transit agencies from 30 to 50, allowing transit agencies to claim more HVIP vouchers annually. This policy change went into effect on January 1, 2024.

Potential Impact to RTD: The lack of additional funding for HVIP in the adopted FY 2023-24 Funding Plan for Clean Transportation Incentives will create additional strain on CARB's primary program for funding the transition to ZEBs and compliance with the Innovative Clean Transit regulation. This additional strain is likely to eventually result in the full depletion of HVIP funding and a pause on the issuance of HVIP vouchers – unless the program receives new funding in a future fiscal year. The adopted policy change to increase the current annual voucher cap could potentially provide near-term benefits to RTD in claiming HVIP vouchers for more buses annually (up to 50) while funding remains.

Grants for Zero-Emission Buses and Infrastructure

As a standing feature, we provide the following breakdown of funding opportunities for zero-emission buses and charging/refueling infrastructure.

Vehicles:

Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project – Transit Set-Aside (\$46 million in FY 2021-22; \$65 million in FY 2022-23) – The Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) provides point-of-sale discount vouchers to fleet owners to reduce the purchase cost of zero- and near-zero emission trucks and buses operated in California on a first-come/first-served basis. HVIP is funded through the state's Greenhouse Gas Reduction Fund and State General Fund.

Current Guidelines: Found [here](#)

Status: [Funding cycle for FYs 2021-22 and 2022-23 remains open](#)

Vehicles and Infrastructure:

Volkswagen Environmental Mitigation Trust (\$130 million total)– The Volkswagen (VW) Mitigation Trust provides \$130 million in incentives to transit agencies, shuttle bus companies and school districts for the purchase of zero-emission buses and the installation of charging and/or refueling infrastructure on a first-come/first-served basis. The VW Environmental Mitigation Trust is a one-time funding opportunity resulting from a consent decree between the United States Environmental Protection Agency, ARB and VW. Funding from the Trust will be released to transit agencies, shuttle bus companies and school districts in two \$65 million tranches. The second tranche of \$65 million was released in November 2022. **We encourage you to review CARB's [April 24 memo](#), which clarifies that VW Mitigation Trust Funds can be stacked with HVIP funding to address a greater portion of the incremental cost of ZEB technologies.**

Current Guidelines: See Beneficiary Mitigation Plan found [here](#) and certifications found [here](#)

Status: [Funding cycle open](#)

Potential Impact to RTD: The funding opportunities outlined above support RTD's transition to zero-emission buses, including the buildout of charging/refueling infrastructure.

Infrastructure:

Energy Infrastructure Incentives for Zero-Emission Commercial Vehicles Project (\$50 million in FY 2021- 22) – The Energy Infrastructure Incentives for Zero-Emission Commercial Vehicles Project is intended to accelerate the deployment of infrastructure needed to fuel zero-emission trucks, buses, and equipment. The project will use a concierge-like model working directly with eligible applicants to help plan and fund the purchase of charging and hydrogen fueling infrastructure.

Current Guidelines: Found [here](#)

Status: [Initial funding cycle for FY 2022-23 opened on February 17; subsequent funding cycle for FY2022-23 opened on July 19 and July 27](#)



LEAD STAFF: **DÁMARIS GALVAN, PLANNING AND SERVICE
DEVELOPMENT DIRECTOR**

REPORT: **COMMUTER ROUTE 120 INITIAL ANALYSIS FOR
POTENTIAL DISCONTINUATION**

I. SUMMARY

- Commuter Route 120 is a weekday service originating in Stockton and stopping in Lathrop, with the destination being the Tracy Defense Distribution Depot.
- Ridership on Route 120 has been declining since 2018 and is currently averaging five (5) individual riders per day.
- The service is provided using a full-sized forty-foot commuter bus driven by a full-time RTD Operator.
- The route provides one trip in the morning and one trip in the afternoon.
- Staff has performed an initial analysis to recommend the RTD Board of Directors consider discontinuing the Route 120 service by May 2024.
- This preliminary analysis suggests that the operation of Route 120 represents an increasing financial burden to the agency.
- Staff will perform further analysis in the next couple of months, perform outreach, and consider an alternative for Route 120 riders.

II. DISCUSSION/BACKGROUND

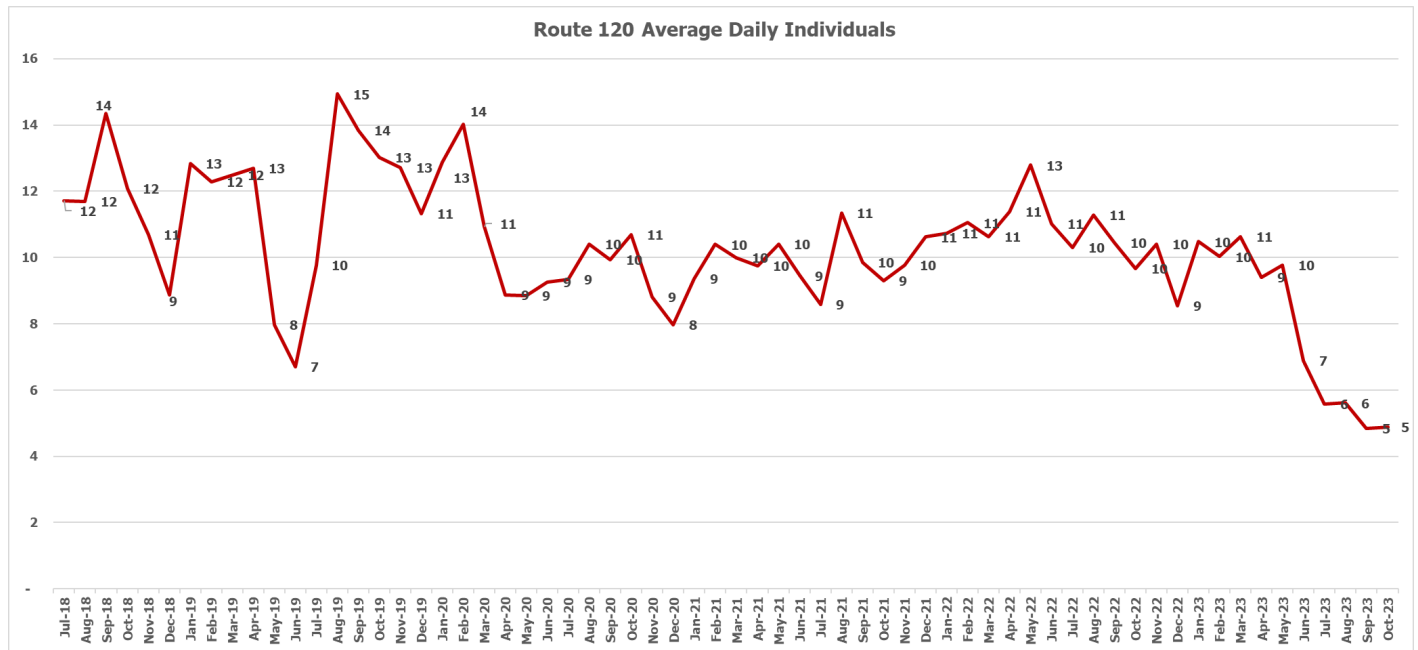
Commuter Route 120 currently provides weekday service from Stockton and Lathrop to the Tracy Defense Logistics Agency, traveling a total of 74 revenue miles per day (37 miles one-way), operating one morning trip and one afternoon trip, with a total of 2.5 revenue hours per day using an accessible 40' Bus.

The current fare structure is as follows:

- 1-Ride Pass: \$7.00
- 31-Day Pass: \$165.00

Since July 2018, ridership on this route has declined substantially over the years. In July 2018, the average number of individuals riding Route 120 per day was 12 - 14, and most recently, as of October 2023, the average number of individuals per day is 5. This represents a decrease of approximately 64%. See Table 1.

Table 1



While ridership and fares collected have decreased since July 2018, the cost of operating Route 120 has continued to increase. In FY2019, the Ratio of Fares versus Expenses was 48%, while more recently, in FY2023, this ratio dropped to 11%, a decline of 37 points. See Tables 2 and 3.

Table 2

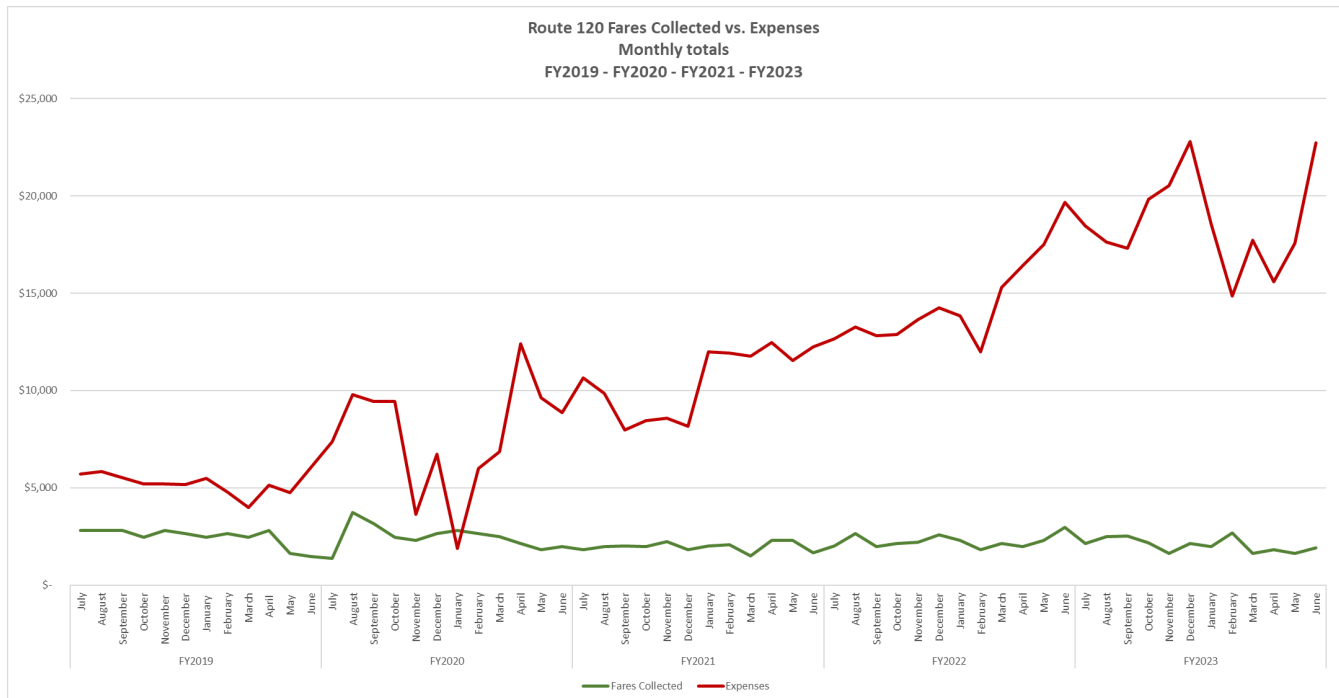
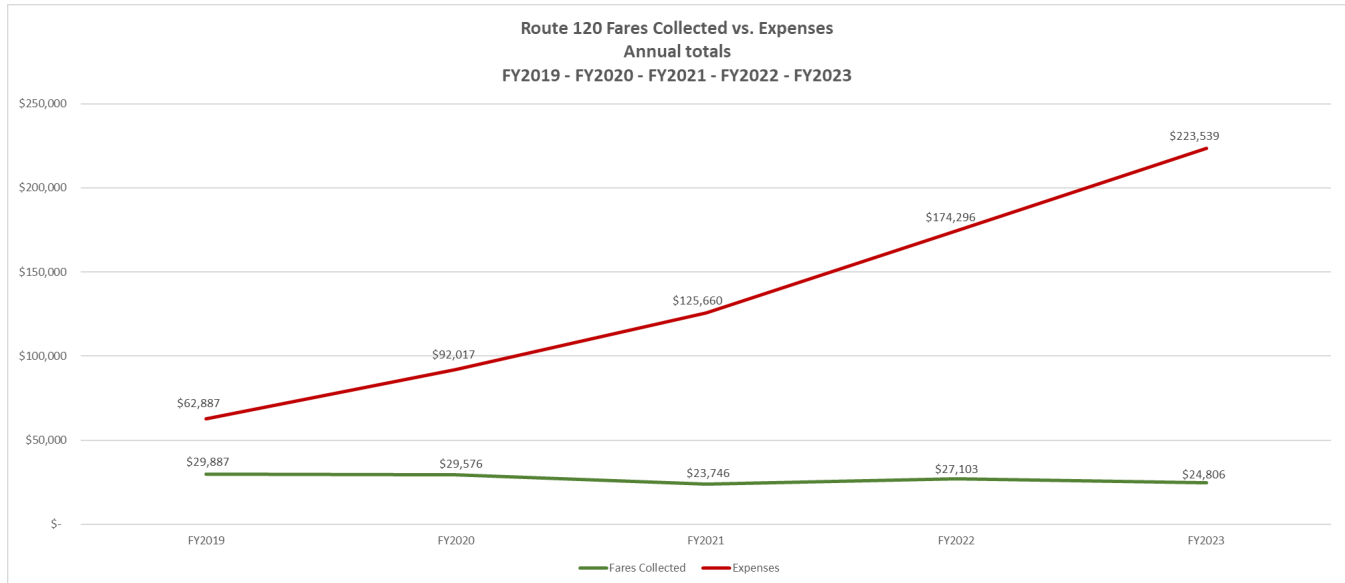


Table 3



Considering this preliminary analysis, staff will:

- Continue to monitor ridership, fares, and operating costs.
- Conduct outreach to the riders.
- Provide the public with the opportunity to comment on the potential discontinuation of Route 120 and participate in surveys.
- Present alternatives such as the use of existing vanpool service.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board's Strategic Priorities 3 and 5.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

Route 120 ridership has decreased 64% since calendar year 2018, and the Ratio of Fares versus Expenses decreased from 48% in FY2019 to 11% in FY2023.

This preliminary analysis suggests that the operation of Route 120 represents an increasing financial burden to the agency.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

- Discontinue Commuter Route 120 due to the financial burden that it represents.

- Continue operating Route 120 at a significant cost to RTD.
- Have current riders transition to available vanpool services.

VII. ATTACHMENTS

N/A

Prepared by: Dámaris Galvan, Planning and Service Development Director

VIII. APPROVALS

Executive Manager Approved:
Ciro Aguirre, COO

A red ink signature, likely of Robert Kyle, written over a horizontal line.

Financial Impact Approved:
Robert Kyle, CFO

A blue ink signature, likely of Alex Clifford, written over a horizontal line.

Alex Clifford, CEO

A blue ink signature, likely of Alex Clifford, written over a horizontal line.



LEAD STAFF: ALEX CLIFFORD, CEO

I. RECOMMENDED ACTION

Approve meeting minutes from November 30, 2023, Regular Board of Directors Meeting.

II. SUMMARY

- Staff is providing the meeting minutes of the November 30, 2023, Regular Board of Directors meeting.
- Meeting minutes are recorded after each meeting and will be provided for approval at the following regularly scheduled meeting.

III. DISCUSSION/BACKGROUND

Meeting minutes are prepared by staff and serve as an official public record of actions taken by the Board of Directors. Once approved, minutes are filed and will remain in RTD's archives to document the Board's adherence to RTD's Rules of Procedure. Minutes will be made available to any member of the public upon request.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priority 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. FINANCIAL CONSIDERATIONS/IMPACT

None.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

None.

VIII. ATTACHMENTS

Attachment A: Draft minutes of the RTD Board of Directors Regular Meeting of November 30, 2023

Attachment B: Resolution for the Regular Meeting Minutes of November 30, 2023

Prepared by: Erica Aguiñiga, Executive and Board Support Specialist II

IX. APPROVALS

Alex Clifford, CEO





Attachment A
Cover Page

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT
THURSDAY, NOVEMBER 30, 2023

The San Joaquin Regional Transit District (RTD) Board of Directors held a Regular Meeting at 12:30 p.m. on Thursday, November 30, 2023, in the Boardroom of RTD's Downtown Transit Center, 421 East Weber Avenue, Stockton, California.

1. CALL MEETING TO ORDER Chair Gary Giovanetti called the meeting to order at 12:30 p.m.
2. MOMENT OF SILENCE/REFLECTION Chair Giovanetti called for a moment of silence and reflection.
3. SAFETY ANNOUNCEMENT Safety and Security Administrator Richard Foster made the Safety Announcement.
4. PLEDGE OF ALLEGIANCE TO THE FLAG Director Stephan Castellanos led the pledge.
5. ROLL CALL Present: Gary Giovanetti, Chair
 Les Fong, Vice Chair
 Michael Restuccia, Director
 Stephan Castellanos, Director

 Alex Clifford, CEO
 Julie Sherman, RTD Legal Counsel

 Absent: Balwinder Singh, Director
6. PUBLIC COMMENTS
 No public comments were received.
7. SPECIAL PRESENTATIONS
 - A. RECOGNITION OF EMPLOYEES OF THE QUARTER
 Jewell Calandri was recognized as the Transportation Employee of the Quarter.
 Luis Esparza was recognized as the Maintenance Employee of the Quarter.
 Kong Her was recognized as the Administration Employee of the Quarter.
 - B. RECOGNITION OF EMPLOYEES YEARS OF SERVICE

Malika McGee, Gary Gumm, and Samuel Sandoval were recognized for their five years of service with RTD.
Saul Dominguez was recognized for his 20 years of service with RTD.

8. REPORTS

A. CHIEF EXECUTIVE OFFICER UPDATE

CEO Alex Clifford provided an oral update regarding the following topics:

- E Bike Program
- American Bus Benchmarking Group Membership
- California Senate Bill 125
- Bus Manufacturers: Proterra
- KJ Backpack, LLC (Kristen Joyner)
- Federal Legislative Updates

B. MARKETING UPDATE

Project Controls Manager Merab Talamantes provided an update on recent events.

C. FINANCIAL UPDATE

Finance Manager Ravi Sharma presented the October Revenue and Expense Summary, Cash Flow Projection, and Finance Metrics.

9. INFORMATION ITEMS

Reports provided for information only:

A. QUARTERLY UPDATE OF SOLICITATIONS

B. QUARTERLY UPDATE OF CONTRACTS AWARDED

C. FEDERAL LEGISLATIVE UPDATE

D. STATE LEGISLATIVE UPDATE

10. CONSENT CALENDAR

A. RESOLUTION NO. 7053: APPROVING THE MINUTES OF THE OCTOBER 20, 2023, REGULAR BOARD OF DIRECTORS MEETING

ACTION: MOTION: Michael Restuccia

SECOND: Les Fong

Roll Call:

AYES: Giovanetti, Fong, Restuccia, Castellanos

ABSENT: Singh NAYES: ABSTAIN:

B. RESOLUTION NO. 7054: ADOPTING THE 2024 BOARD OF DIRECTORS
REGULAR MEETING SCHEDULE

ACTION: MOTION: Michael Restuccia SECOND: Les Fong
Roll Call:
AYES: Giovanetti, Fong, Restuccia, Castellanos
ABSENT: Singh NAYES: ABSTAIN:

C. ACCEPT AND FILE: APPROVED RTD BOARD OF DIRECTORS TRAVEL
EXPENSES

ACTION: MOTION: Michael Restuccia SECOND: Les Fong
Roll Call:
AYES: Giovanetti, Fong, Restuccia, Castellanos
ABSENT: Singh NAYES: ABSTAIN:

D. ACCEPT AND FILE: CHECK REGISTER FOR THE MONTH OF OCTOBER
2023

ACTION: MOTION: Michael Restuccia SECOND: Les Fong
Roll Call:
AYES: Giovanetti, Fong, Restuccia, Castellanos
ABSENT: Singh NAYES: ABSTAIN:

E. ACCEPT AND FILE: RTD PARATRANSIT OPERATIONS STATUS
QUARTERLY REPORT

ACTION: MOTION: Michael Restuccia SECOND: Les Fong
Roll Call:
AYES: Giovanetti, Fong, Restuccia, Castellanos
ABSENT: Singh NAYES: ABSTAIN:

F. RESOLUTION NO. 7055: APPROVING THE SUBMISSION OF THE RTD
AND UNITED CEREBRAL PALSY 15 CUTAWAY VEHICLE REPLACEMENT
PROJECT AS A REGIONAL PRIORITY FOR THE SAN JOAQUIN ONE VOICE
2024 FEDERAL LEGISLATIVE AGENDA

ACTION: MOTION: Michael Restuccia SECOND: Les Fong
Roll Call:
AYES: Giovanetti, Fong, Restuccia, Castellanos
ABSENT: Singh NAYES: ABSTAIN:

11. ACTION ITEMS

- A. RESOLUTION NO. 7056: APPROVING SERVICE EXPANSIONS AND IMPROVEMENTS, EFFECTIVE JANUARY 28, 2024, ON A TEMPORARY BASIS, WITH CONTINUATION BEYOND 12 MONTHS CONTINGENT ON ROUTE PERFORMANCE AND BOARD REVIEW AND APPROVAL OF A TITLE VI SERVICE EQUITY ANALYSIS

ACTION: MOTION: Michael Restuccia SECOND: Les Fong
Roll Call:
AYES: Giovanetti, Fong, Restuccia, Castellanos
ABSENT: Singh NAYES: ABSTAIN:

- B. RESOLUTION NO. 7057: APPROVING THE FINDINGS OF TITLE VI SERVICE EQUITY ANALYSIS FOR THE ESTABLISHMENT OF ROUTES 566 AND 576 AS REGULAR SERVICE, AND APPROVING ROUTES 566 AND 576 AS REGULAR SERVICE

ACTION: MOTION: Les Fong SECOND: Stephan Castellanos
Roll Call:
AYES: Giovanetti, Fong, Restuccia, Castellanos
ABSENT: Singh NAYES: ABSTAIN:

12. QUESTIONS AND COMMENTS FROM DIRECTORS AND STAFF
Chair Giovanetti explained the upcoming Election of Officers that will take place at the January Board Meeting. Each Director will vote for their recommendations for Chair and Vice Chair and may vote for themselves. The votes will be tabulated and the newly elected officers will be announced.
13. CLOSED SESSION
Chair Giovanetti announced that the Board would recess into Closed Session at 1:26 p.m. to consider the following item set forth on the agenda:
- A. CONFERENCE WITH LEGAL COUNSEL— ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2) – One potential case

The Board of Directors returned from Closed Session at 2:12 p.m. RTD Legal Counsel Julie Sherman reported that no reportable action was taken during the Closed Session.

14. ADJOURNMENT
Chair Giovanetti adjourned the meeting at 2:13 p.m.



Attachment B
Cover Page

RESOLUTION NO. ____
DATED: JANUARY 19, 2024

RESOLUTION APPROVING THE MINUTES OF THE NOVEMBER 30, 2023
REGULAR BOARD OF DIRECTORS MEETING

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the RTD Board of
Directors that the minutes of the Regular Meeting of November 30, 2023, be approved.



LEAD STAFF: RAVI SHARMA, FINANCE MANAGER

I. RECOMMENDED ACTION:

That the Board of Directors approve the FY2023 Annual Comprehensive Financial Report (ACFR) and FY2023 Single Audit Report.

II. SUMMARY

- Brown Armstrong Accountancy Corporation Partner Neeraj Datta presented the FY2023 ACFR and FY2023 Single Audit Report to the Finance and Audit Committee on January 5, 2024.
- After reviewing the audit reports, the Finance and Audit Committee endorses the FY2023 ACFR and Single Audit Report to the Board for approval.

III. DISCUSSION/BACKGROUND

RTD's Finance and Audit Committee and staff met with Brown Armstrong Accountancy Corporation staff to review the FY2023 ACFR and FY2023 Single Audit Report on Friday, January 5, 2024.

Brown Armstrong Accountancy Corporation staff provided a presentation to the Committee regarding the FY2023 results of the financial statement and single audit. No noncompliance, material weaknesses, significant deficiencies, or control deficiencies were identified. There were no findings or recommendations. RTD received an unmodified (clean) audit report.

The Finance and Audit Committee recommends the FY2023 ACFR and FY2023 Audit Report to the Board for approval.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priorities 1, 3, and 4. Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. FINANCIAL CONSIDERATIONS/IMPACT

None

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

None

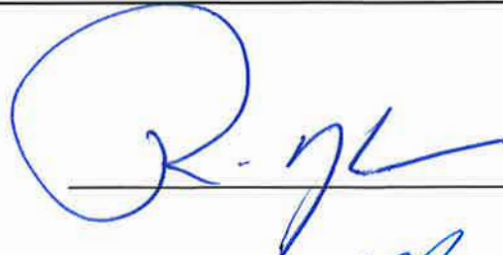
VIII. ATTACHMENTS


Attachment A: FY2023 ACFR
Attachment B: FY2023 Single Audit Report
Attachment C: Report to the Board of Directors
Attachment D: Brown Armstrong Presentation
Attachment E: Finance and Audit Committee Memo
Attachment F: Resolution

Prepared by: Ravi Sharma, Finance Manager

IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO





Alex Clifford, CEO



Attachment A
Cover Page



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Years Ended June 30, 2023 and 2022
County of San Joaquin, California



**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
COUNTY OF SAN JOAQUIN, CALIFORNIA**

**Annual Comprehensive
Financial Report**

**Fiscal Years Ended
June 30, 2023 and 2022**

**Prepared by
FINANCE DEPARTMENT**

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
JUNE 30, 2023 AND 2022**

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INTRODUCTORY SECTION

TRANSMITTAL LETTER



SAN JOAQUIN REGIONAL TRANSIT DISTRICT

421 E. Weber Ave. • Stockton, CA 95202 • (209) 943-1111 • (209) 948-8516 Fax • sjRTD.com

December 27, 2023

Board of Directors San Joaquin RTD
421 East Weber Avenue
Stockton, CA 95202

It is with pleasure that we submit to you the San Joaquin Regional Transit District (RTD) Annual Comprehensive Financial Report (ACFR) for the fiscal years ending June 30, 2023 and 2022. RTD is required to undergo an annual audit in conformity with the provisions of the Uniform Guidance as it pertains to audits of state and local governments. State law requires that RTD publish audited financial statements within six months of the close of the fiscal year in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of certified public accountants licensed to practice in the State of California. The ACFR was prepared in accordance with the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

This report consists of management's representations concerning the finances of RTD. RTD management is responsible for both the accuracy of the data, as well as the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents RTD's financial position and results of operations. Disclosures are included to enable the reader to gain an understanding of RTD's activities.

Brown Armstrong Accountancy Corporation, a firm of licensed certified public accountants, has audited RTD's financial statements as of and for the fiscal years ended June 30, 2023 and 2022. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit includes examination of evidence supporting the amounts and disclosures in the financial statements on a test basis, assessment of the accounting principles used, significant estimates made by management, and evaluation of the overall presentation of the financial statements.

CHIEF EXECUTIVE OFFICER: Alex Clifford
BOARD OF DIRECTORS: CHAIR Gary S. Giovanetti • VICE CHAIR Les J. Fong
Michael P. Restuccia • Balwinder T. Singh • Stephan Castellanos

The independent audit of the financial statements was a part of a broader, federally mandated "Single Audit" designed to meet the needs of federal grantor agencies.

The standards governing the single audit engagement require the independent auditor to report on the fair presentation of the financial statements, internal control over financial reporting, compliance with federal requirements, and other matters. The audit puts an emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in RTD's Annual Financial Report (provided separately).

GAAP requires that management provide a narrative introduction, financial statements overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). RTD's MD&A immediately follows the report of the independent auditors in the Financial Section. This letter of transmittal is designed to complement the MD&A.

PROFILE OF RTD

RTD is the regional transit provider for San Joaquin County (the County). Established in 1963 as the Stockton Metropolitan Transit District (SMTD), SMTD began providing service in 1965. In 1994, with the expansion of its service area to all the County, SMTD became San Joaquin Regional Transit District (RTD).

A five-member Board of Directors (Board) governs RTD. The Stockton City Council appoints two members, the County Board of Supervisors appoints two, and the City Council and Board of Supervisors appoint one. RTD is fiscally independent of the City and County insofar as neither makes budget appropriations to RTD.

RTD's operating and capital planning decisions are based on the strategic initiatives contained within its annual Strategic Plan. The mission and vision statements of RTD guide the initiatives. Our primary mission is to provide a safe, reliable, and efficient transportation system for the region. Our vision is to be the transportation service of choice for the residents we serve.

FACTORS AFFECTING FINANCIAL CONDITION

RTD management is responsible for establishing and maintaining a system of internal financial controls to provide reasonable assurance that assets are protected from loss, theft, or misuse. It is also responsible for assuring that adequate accounting controls are in place to provide reasonable assurance as to the accuracy of information and data used to prepare this report. The concept of reasonable assurance in internal controls requires that the cost of implementing a control should not outweigh the benefits likely to be received, and that the valuation of costs and benefits requires estimates and judgment exercised by management.

As the regional transit provider for the County, RTD's role in providing local and regional transit services is continuously evolving to meet its ever-changing environment. RTD commits to providing the highest level of transit service to the greatest number of people within its available resources. To provide a sustainable level of service during the recent economic climate, RTD has restructured its service design and developed a multi-faceted approach to funding. This approach looks beyond existing resources to maintain a stable source of revenues through partnerships with local agencies and educational institutions in Stockton; lobbying for increased federal, state, and local resources; and increased marketing efforts.

LOCAL ECONOMIC CONDITIONS

Economic conditions affect the way a government entity operates and it's important that the information presented is interpreted with consideration of these economic conditions. San Joaquin County has a population of over 793,000 people and its population continues to grow at a steady pace while the County's unemployment rate has improved to 6.0%, although it is still high compared to California's average rate of 4.5%

Due to the continuing national labor shortage, RTD's major challenge this past fiscal year has been recruiting and retaining sufficient operators to cover the daily work in operations. We have experienced some disruption of service due to operator shortages. It is imperative that we provide our passengers with the service they expect therefore RTD is committed to its recruiting and training program of operators.

RTD also experienced major supply chain issues where bus part orders were significantly delayed, causing buses to be out of service for an extended period. RTD's maintenance department has been working diligently to mitigate this issue by working with multiple vendors to secure the parts needed.

Other challenges also included sustaining its underfunded Defined Benefit Plan. The ever-increasing employee and employer contributions to the Defined Benefit Plan for represented employees and non-represented vested employees also affect RTD's competitiveness as an employer. RTD is committed to finding alternatives to provide a sustainable and affordable retirement plan.

Despite the above challenges, RTD has been successful in bringing in competitive state and federal funding to the County because of the significance of RTD's projects, RTD's technical capacity to manage funding and deliver high-quality products, and RTD's ability to comply with the governing rules and regulations. In addition, RTD has successfully developed effective, professional, and respectful relationships with its various stakeholders.

RTD will be implementing Phase 2 of the Next Gen Study Phased Implementation Plan in January 2024. Phase 2 strives to expand services in underserved communities by further improving frequencies and service span and traveling deeper into the underserved neighborhoods.

The following continuing efforts support RTD's strategic goals:

- Employee development through training and continuing education, employee awards and promotions, and an apprenticeship program.
- Customer satisfaction through improved amenities, passenger access to information and enhanced interaction with customers through social media.
- Financial health through cost containment and revenue-generating activities.
- Operations excellence through improved and innovative services.
- Community relations through education, exposure, visibility, and special marketing campaigns and promotions.
- Continuous improvement through new technology and enhanced processes.

RTD received the following award in fiscal year 2023 which recognized RTD's achievements and performance standards:

1. Government Finance Officers Association (GFOA): Excellence in Financial Reporting Award (20th consecutive year)

BALANCED FUNDING CONCEPTS

On an ongoing basis, RTD reviews its strategic goals to determine the operating and capital requirements for the next five to ten years. It is increasingly important to ensure the availability of financial resources to maintain existing levels of service and to fund planned capital and operating expenditures including rolling stock replacement and additional facilities. RTD currently uses three major levels of funding resources:

- Locally controlled federal and state funding allocations (funding given to local governments and agencies to spend on capital projects and/or operations).
- Federal discretionary funding awards (identified by the Federal Transit Administration for specific projects).
- Locally collected money (e.g., county sales taxes, Measure K, fares).

RTD's capital plan includes investing in a variety of items:

- Upgrading and improving facilities.
- Upgrading communication and IT equipment.
- Upgrading bus and bus technologies.
- Improving passenger amenities.
- Exploring hydrogen fuel cell technology.

STATE/FEDERAL LEGISLATIVE UPDATES

Inflation Reduction Act:

The White House unveiled a guidebook that provides background on the provisions of the Inflation Reduction Act (IRA), the tax and climate legislation that was approved by Congress. While the IRA does not include much in the way of direct spending on transportation due to an agreement President Biden made with Senate Republicans when negotiating the infrastructure law, the measure does include a few “direct pay” tax credits in the area of renewable energy for which public entities would be eligible for rebates. This includes an extension of the existing alternative fuels tax credit, as well as a tax credit of up to \$40,000 for the purchase of zero emissions commercial vehicles (including buses).

RTD would be eligible for tax credits in the IRA and could compete for competitive grant funding as well.

Transportation

The Budget Act of 2022 committed \$4 billion for transit and rail (\$2 billion in both FY 2023-24 and 2024- 25) through trailer bill directed to the Transit and Intercity Rail Capital Program (TIRCP) in addition to the \$3.65 billion approved for the same program in FY 2022-23. The budget proposes to reduce the amount of TIRCP funding to \$1 billion in each fiscal year but indicates the potential to return funding levels to the originally committed \$2 billion annually if the state’s fiscal outlook improves in January 2024. The Governor’s proposed FY 2023-24 state budget includes proposed cuts to zero-emission vehicle (ZEV) program funding. These proposed cuts would reduce the five-year investment of \$10 billion for ZEV programs, approved in the 2021 and 2022 Budget Acts, to \$8.9 billion. These proposed cuts reflect a proposed \$2.5 billion in General Fund cut across various ZEV programs, which would be partially offset by approximately \$1.4 billion in proposed fund shifts to Cap and Trade funds. The proposed near-term cuts to ZEV programs could potentially limit the level of funding available to RTD for transitioning to zero-emission buses and create new challenges for complying with the California Air Resources Board’s Innovative Clean Transit regulation.

BUDGET CONTROLS

RTD adopts an annual budget that serves as the foundation for financial planning and control. The budget is a financial plan governing the fiscal year’s operating and capital investments. For capital projects exceeding one fiscal year, RTD management adopts a project-length budget. The budget matches revenues with the operating and capital project expenses based on adopted policies and direction set by RTD’s Board.

The budget process follows three basic steps that provide continuity in decision making:

1. Assess current conditions and needs to develop goals, objectives, policies, and plans.
2. Prioritize projects and develop a work program.
3. Implement identified project plans and evaluate their effectiveness and shortcomings.

RTD maintains budgetary controls to monitor compliance with RTD's authorization and adopted rules. The annual budget is categorized by fund type (operating or capital), and by department (e.g., transportation) and any capital budget transfers require the CEO's approval. Any amendments to RTD's budget that may occur after Board adoption of the budget for a given fiscal year require Board approval.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to San Joaquin RTD for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended on June 30, 2022. The Certificate of Achievement is a very prestigious national award that recognizes conformance with the highest standards for the preparation of a state or local government financial report. This was the twentieth consecutive year that RTD has received this award. To be eligible for this award, a government unit must publish an easily readable and efficiently organized report. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR meets the Certificate of Achievement Program's requirements, and we will submit it to the GFOA to determine eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of several departments, especially Finance. The preparation of this ACFR demonstrates the staff's dedication to improving the standard of reporting to the Board of Directors and RTD's stakeholders. I would like to express my appreciation to all RTD staff who assisted and contributed to the preparation of this report.

Respectfully submitted,



Alex Clifford, CEO



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**San Joaquin Regional Transit District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

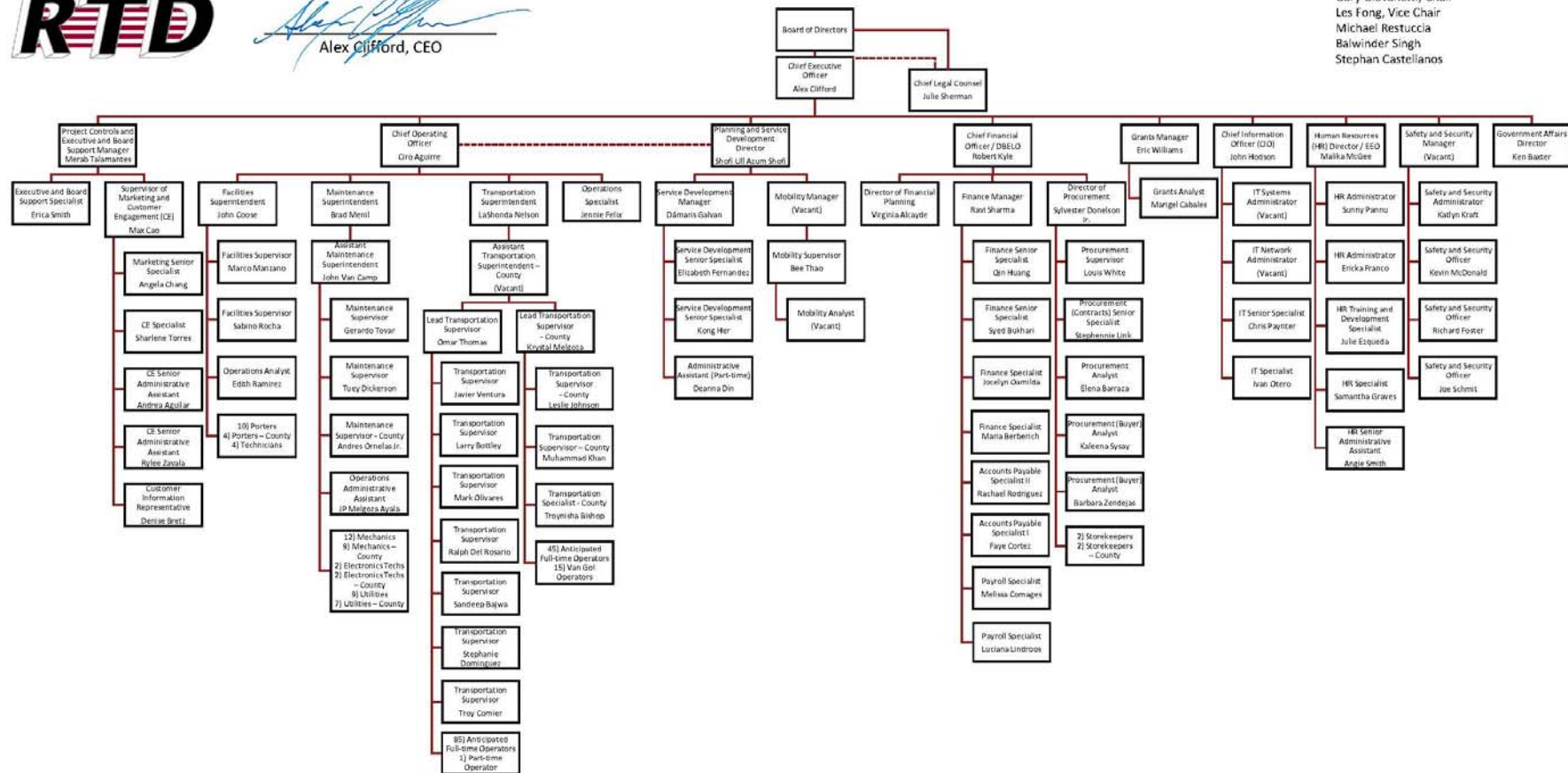
Christopher P. Morill

Executive Director/CEO



Alex Clifford
Alex Clifford, CEO

Board of Directors
Gary Giovanetti, Chair
Les Fong, Vice Chair
Michael Restuccia
Balwinder Singh
Stephan Castellanos



Revised 5/30/2023

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
ELECTED OFFICIALS AND ADMINISTRATIVE PERSONNEL**

BOARD OF DIRECTORS

Gary S. Giovanetti	Chair
Les J. Fong	Vice-Chair
Michael Restuccia	Director
Stephan Castellanos	Director
Balwinder T. Singh	Director

MANAGEMENT AND SENIOR STAFF

Alex Clifford	Chief Executive Officer
Ciro Aguirre	Chief Operating Officer
John Hodson	Chief Information Officer
Robert Kyle	Chief Financial Officer

BUDGET AND ADMINISTRATIVE STAFF

Virginia Alcayde	Director of Financial Planning
Ravi Sharma	Finance Manager
Syed Bukhari	Finance Administrator

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Directors
San Joaquin Regional Transit District
Stockton, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the San Joaquin Regional Transit District (RTD), which comprise the statements of net position as of June 30, 2023 and 2022, the related statements of revenues, expenses, and changes in net position, and cash flows for the fiscal years then ended, and the related notes to the financial statements, which collectively comprise the RTD's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of RTD as of June 30, 2023 and 2022, and the respective changes in financial position, and cash flows thereof for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the RTD and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the RTD's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the RTD's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information (RSI), as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2023, on our consideration of the RTD's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the RTD's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RTD's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Stockton, California
December 27, 2023

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023 AND 2022**

Introduction

The following discussion and analysis of the financial performance and activity of the San Joaquin Regional Transit District (RTD) provides an introduction and understanding of the basic financial statements of RTD for the fiscal years ended June 30, 2023 and 2022. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto which follow this section.

RTD is the regional transit provider for San Joaquin County (the County). Its primary mission is to provide a safe, reliable, and efficient transportation system for the region. Established in 1963 as the Stockton Metropolitan Transit District (SMTD), SMTD began providing service in 1965. In 1994, with the expansion of its service area to all the County, SMTD became San Joaquin Regional Transit District (RTD).

A five-member Board of Directors (Board) governs RTD. The Stockton City Council appoints two members, the County Board of Supervisors appoints two members, and the City Council and Board of Supervisors appoint one jointly. RTD is fiscally independent of the City and County insofar as neither makes budget appropriations to RTD.

RTD operates 31 routes in the Stockton Metropolitan Area, including 5 Bus Rapid Transit routes; 5 Countywide routes; 7 Metro Hopper deviated fixed routes throughout the County; and 3 Commuter routes to the Bay Area and Sacramento. RTD's Van Go! service provides service options for County residents with seamless connections within the County. RTD also provides Dial-A-Ride service for persons who, due to their disability, are unable to use fixed-route service. As the Consolidated Transportation Services Agency (CTSA) for the County, RTD provides enhanced mobility and accessibility service options that focus on providing services to seniors and individuals with disabilities. In fiscal year 2023, RTD provided 2.3 million passenger trips.

To provide convenient connections between its routes and services, RTD has four stations in south, central, north, and southeast Stockton: Downtown Transit Center (DTC), Mall Transfer Station (MTS), Hammer Transfer Station (HTS), and Union Transfer Station (UTS), respectively.

RTD has 146 revenue vehicles (100 buses and 46 cutaways), 264 employees (in administration, transportation, and maintenance), working in its three Stockton operations and administrative locations: County Transportation Center (CTC), DTC, and Regional Transportation Center (RTC).

The Financial Statements

RTD's basic financial statements include: (1) the Statement of Net Position; (2) the Statement of Revenues, Expenses, and Changes in Net Position; and (3) the Statement of Cash Flows. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

The Statement of Net Position reports assets and deferred outflows of resources, liabilities and deferred inflows of resources, and the difference as net position. The entire equity section is combined to report total net position and is displayed in two components: net investment in capital assets and unrestricted net position.

The net asset component of net investment in capital assets consists of capital assets, including restricted capital assets, net of accumulated depreciation, and is reduced by the outstanding balances of any borrowings attributable to the acquisition, construction, or improvements of those assets.

Restricted net position consists of assets where constraints on their use are externally imposed by creditors (such as through debt covenants, if any), grantors, contributors, or laws and regulations of other governments.

Unrestricted net position consists of net position that does not meet the definition of restricted or net investment in capital assets. This net position component includes net position that has been designated by management as operating and capital reserves for purposes that may include assets allocated to fund capital projects, reserves for self-insurance, other liabilities, and operations, provided such use is approved by the RTD Board.

Revenues and expenses are categorized as either operating or non-operating based upon the definitions provided by Governmental Accounting Standards Board (GASB) Statements No. 33 and No. 34. Significant recurring resources of RTD's revenues, such as capital contributions, are reported as non-operating revenues.

The Statement of Cash Flows is presented using the direct method and includes a reconciliation of operating cash flows to operating loss.

Financial Highlights

Statement of Revenues, Expenses, and Change in Net Position

A summary of RTD's Statements of Revenues, Expenses, and Changes in Net Position for the fiscal years ended June 30, 2023, 2022, and 2021, follows:

	2023	2022	2023 to 2022 Increase/Decrease		2021	2022 to 2021 Increase/Decrease	
			Amount	%		Amount	%
Operating revenues	\$ 2,942,812	\$ 1,929,618	\$ 1,013,194	53%	\$ 1,571,419	\$ 358,199	23%
Operating expenses	(54,689,089)	(42,973,522)	(11,715,567)	27%	(46,991,679)	4,018,157	-9%
Operating loss	(51,746,277)	(41,043,904)	(10,702,373)	26%	(45,420,260)	4,376,356	-10%
Non-operating revenues	48,736,916	53,718,569	(4,981,653)	-9%	51,254,202	2,464,367	5%
Non-operating expenses	(144,970)	(221,270)	76,300	-34%	(297,570)	76,300	-26%
Excess before capital contributions	(3,154,331)	12,453,395	(15,607,726)	-125%	5,536,372	6,917,023	125%
Capital contributions	12,324,580	5,305,690	7,018,890	132%	5,051,577	254,113	5%
Change in net position	9,170,249	17,759,085	(8,588,836)	-48%	10,587,949	7,171,136	68%
Total net position, beginning of year	120,716,346	103,006,317	17,710,029	17%	92,418,368	10,587,949	11%
Prior period adjustment	95,433	(49,056)	144,489	0%	-	(49,056)	0%
Total net position, end of year	<u>\$ 129,982,028</u>	<u>\$ 120,716,346</u>	<u>\$ 9,265,682</u>	<u>8%</u>	<u>\$ 103,006,317</u>	<u>\$ 17,710,029</u>	<u>17%</u>

Fiscal year 2023 vs. 2022

RTD's fiscal year 2023 net operating revenues increased by \$1,013,194 or 53% over fiscal year 2022. Fare revenues increased in fiscal year 2023 as a result of increased ridership due to more people getting comfortable riding public transit again after the pandemic which led to increased operating revenues. There was a marginal decrease in auxiliary revenue and an increase in non-transportation revenue.

Operating expenses increased by \$11,715,567 or 27% primarily due to increases in all expense categories except for depreciation expense.

Non-operating revenues primarily consist of operating subsidies from federal, state, and local funding sources. The net decrease in non-operating revenues of \$4,981,653 or (9%) is primarily due to \$7,037,540 decrease in Federal cash grants because majority of the stimulus grants were expended in fiscal year 2022.

Non-operating expenses are made up of long-term loan interest.

Capital contributions increased by \$7,018,890 or 132% because there were more major projects in fiscal year 2023 compared to fiscal year 2022. Major projects for the fiscal year were as follows: Bus Replacement – purchased nine Battery Electric busses, Construction – completed the installation of the Solar Photovoltaic (PV) Panel System, Fuel Infrastructure – completed the installation of the Battery Energy Storage System (BESS). Safety – installed operator barriers on buses. Ongoing projects for the fiscal year were as follows: engine rebuild/replacement, fare collection equipment and passenger amenities improvements, purchase hydrogen fuel cell electric buses and hybrid buses, purchase hydrogen trailer, and facilities improvements.

Fiscal year 2022 vs. 2021

RTD's fiscal year 2022 net operating revenues increased by \$358,199 or 23% over fiscal year 2021. Fare revenues increased in fiscal year 2022 as a result of increased ridership due to more people getting vaccinated for COVID-19 and the Governor's stay at home order being lifted which led to increased operating revenues. There is also a net increase in auxiliary and non-transportation revenues.

Operating expenses decreased by \$4,018,157 or (9%) primarily due to decreases in a) fringe benefits, b) pension expense, c) insurance, and d) purchased transportation,

- a) Fringe benefits decreased by \$5,287,784 or (35%) in fiscal year 2022 mainly due to RTD's additional, one-time cash contribution of \$2,733,000 towards the pension fund and additional one-time cash contribution of \$3,307,000 towards the Other Post-Employment Benefits (OPEB) fund to help elevate the funding level in fiscal year 2021.
- b) Pension expense decreased by \$1,205,000 or (62%) in fiscal year 2022 due to a decrease in the actuarially-determined pension liability in accordance with GASB Statement No. 68.
- c) Insurance expenses decreased by \$1,477,249 or (59%) mainly due to recording an increased accrual in the Payouts for Uninsured Liabilities account in fiscal year 2021.
- d) Purchased Transportation expenses decreased by \$4,316,097 or (69%) mainly due to RTD taking over the contracted County services in fiscal year 2022.

Non-operating revenues primarily consist of operating subsidies from federal, state, and local funding sources. The net increase in non-operating revenues of \$2,464,367 or 5% is primarily due to \$4,643,099 Local Transportation Funds (LTF) that was applied to operations in fiscal year 2022.

Non-operating expenses are made up of long-term loan interest.

Capital contributions increased by \$254,113 or 5% because there were more major projects in fiscal year 2022 compared to fiscal year 2021. Projects for the fiscal year were as follows: Bus Replacement – purchased two commuter busses, Construction – started the Solar Photovoltaic (PV) Panel System, Fuels Infrastructure – eight Gillig bus ChargePoint charges installed. Ongoing projects for the fiscal year were as follows: engine rebuild/replacement, fare collection equipment and passenger amenities improvements.

Operating and Non-Operating Revenues

Below is a schedule showing major sources of operating and non-operating revenues for the fiscal years ended June 30, 2023, 2022, and 2021:

	2023	2022	2023 to 2022 Increase/Decrease		2021	2022 to 2021 Increase/Decrease	
			Amount	%		Amount	%
Operating revenues by major source							
Passenger	\$ 2,215,925	\$ 1,545,337	\$ 670,588	43%	\$ 1,255,399	\$ 289,938	23%
Auxiliary	94,207	99,324	(5,117)	-5%	95,933	3,391	4%
Non-transportation	632,680	284,957	347,723	122%	220,087	64,870	29%
Total operating revenues	2,942,812	1,929,618	1,013,194	53%	1,571,419	358,199	23%
Non-operating revenues by major source							
Local property taxes	1,368,646	1,279,993	88,653	7%	1,202,130	77,863	6%
State and local cash grants	36,896,445	36,121,028	775,417	2%	32,917,857	3,203,171	10%
Federal cash grants	9,147,441	16,184,981	(7,037,540)	-43%	17,066,076	(881,095)	-5%
Interest and investment income	1,321,324	132,567	1,188,757	897%	67,019	65,548	98%
Other non-operating revenues	3,060	-	3,060	100%	1,120	(1,120)	-100%
Total non-operating revenues	48,736,916	53,718,569	(4,981,653)	-9%	51,254,202	2,464,367	5%
Total revenues	\$ 51,679,728	\$ 55,648,187	\$ (3,968,459)	-7%	\$ 52,825,621	\$ 2,822,566	5%

Revenues – Fiscal Year 2023 vs. 2022

Passenger fares revenue in fiscal year 2023 increased by \$670,588 or 43%. Operating revenues increased primarily due to an increase in fare revenues as a result of an increase in ridership due to more people getting comfortable riding public transit again after the pandemic. RTD's ridership continues to increase but is still short of the pre pandemic levels.

Auxiliary revenues decreased by \$5,117 or (5%) due to lower RTD advertising revenue. Non-transportation revenues increased by \$347,723 or 122% primarily due to proceeds received from the credits sale of Low-Carbon Fuel Standards (LCFS).

Local property tax revenue increased by \$88,653 or 7% due to an increased apportionment to RTD from increasing property values.

The net increase in State and local cash grants of \$775,417 or 2% is primarily due to increased apportionment from Low Carbon Transit Operations Program (LCTOP) of \$920,130.

Federal cash grants decreased by \$7,037,540 or (43)% as a result of fully expending the Federal 5307 American Rescue Plan Act (ARPA) grant in fiscal year 2022.

Interest and investment income increased by \$1,188,757 or 897% due to overall higher cash balances and higher yields in fiscal year 2023 as compared to the prior year.

Other non-operating revenues increased by \$3,060 or (100%) because there were recoveries from third parties for damaged RTD properties in the current fiscal year.

Revenues – Fiscal Year 2022 vs. 2021

Passenger fares revenue in fiscal year 2022 increased by \$289,938 or 23%. Operating revenues increased primarily due to an increase in fare revenues as a result of an increase in ridership due to more people getting vaccinated for the COVID-19 pandemic and the Governor's stay at home order for non-essential workers being lifted. RTD's ridership continues to increase but is still short of the pre COVID-19 levels.

Auxiliary revenues increased by \$3,391 or 4% due to higher RTD advertising revenue. Non-transportation revenues increased by \$64,870 or 29% primarily due to proceeds received from the auction of retired buses.

Local property tax revenue increased by \$77,863 or 6% due to an increased apportionment to RTD from increasing property values.

The net increase in State and local cash grants of \$3,203,171 or 10% is primarily due to increased final apportionment from Transportation Development Act (TDA) Local Transportation Fund of \$4,643,099 as a result of higher than anticipated revenues received by the State for fiscal year 2022.

Federal cash grants decreased by \$881,095 or (5)% as a result of a net decrease in Federal 5307 CARES Act grant and Federal 5307 American Rescue Plan Act (ARPA) grant in fiscal year 2022.

Interest and investment income increased by \$65,548 or 98% due to overall higher cash balances in fiscal year 2022 as compared to the prior year.

Other non-operating revenues decreased by \$1,120 or (100%) because there were no recoveries from insurance companies and third parties for damaged RTD properties in the current fiscal year.

Below is a schedule showing the components of operating and non-operating expenses for the fiscal years ended June 30, 2023, 2022, and 2021:

	2023	2022	2023 to 2022 Increase/Decrease		2021	2022 to 2021 Increase/Decrease	
			Amount	%		Amount	%
Operating expenses							
Operators' salaries	\$ 7,021,013	\$ 5,396,725	\$ 1,624,288	30%	\$ 3,327,804	\$ 2,068,921	62%
Other salaries	9,168,687	7,531,719	1,636,968	22%	6,209,345	1,322,374	21%
Fringe benefits	11,582,560	9,968,875	1,613,685	16%	15,256,659	(5,287,784)	-35%
Pension expense	112,000	(3,137,000)	3,249,000	104%	(1,932,000)	(1,205,000)	62%
OPEB expense	(150,713)	(607,000)	456,287	75%	(3,467,000)	2,860,000	-82%
Service expenses	4,990,570	3,628,887	1,361,683	38%	3,272,109	356,778	11%
Fuel and lubricants	1,786,600	1,382,025	404,575	29%	813,096	568,929	70%
Tires and tubes	256,385	9,488	246,897	2602%	6,214	3,274	53%
Other materials and supplies	1,825,355	1,264,364	560,991	44%	835,247	429,117	51%
Utilities	1,066,024	996,473	69,551	7%	925,823	70,650	8%
Insurance	1,939,213	1,009,196	930,017	92%	2,486,445	(1,477,249)	-59%
Taxes	308,911	243,934	64,977	27%	180,553	63,381	35%
Purchased transportation	2,312,956	1,948,542	364,414	19%	6,264,639	(4,316,097)	-69%
Other	786,307	777,394	8,913	1%	399,688	377,706	95%
Depreciation	11,683,221	12,559,900	(876,679)	-7%	12,413,057	146,843	1%
	54,689,089	42,973,522	11,715,567	27%	46,991,679	(4,018,157)	-9%
Non-operating expenses							
Interest expense	144,970	221,270	(76,300)	-34%	297,570	(76,300)	-26%
Total expenses	\$ 54,834,059	\$ 43,194,792	\$ 11,639,267	27%	\$ 47,289,249	\$ (4,094,457)	-9%

Expenses – Fiscal Year 2023 vs. 2022

Total expenses (excluding depreciation, pension, and OPEB expenses) for fiscal year 2023 were \$43,189,551 as compared to \$34,378,892 in fiscal year 2022, which is a net increase of \$8,810,659 or 26% from prior year.

Operators' salaries increased by \$1,624,288 or 30% in fiscal year 2023 due to increased payrate of operators as per collective bargain agreement (CBA), more operators being hired and an increase in overtime hours due to services expansion in January 2023.

Other salaries increased by \$1,636,968 or 22% in fiscal year 2023 mainly due to increased pay rate of mechanics and other union employees as per the CBA, cost-of-living adjustment (COLA) increase to all non-represented employees, and more employees on payroll in fiscal year 2023.

Net increase in fringe benefits of \$1,613,685 or 16% was primarily due to an increase in retirement plan costs because contributions rates increased by 3.26% and due to an increase in medical premium costs.

Pension expenses increased by \$3,249,000 or 104% due to an increase in the actuarially determined pension liability in accordance with GASB statement No. 68.

OPEB expenses increased by \$456,287 or 75% mainly due to an increase in the actuarially determined OPEB liability in accordance with GASB statement No. 75.

Service expenses increased by \$1,361,683 or 38% mainly due to an increase in Professional Consulting Services because of reclassified capitalized system redesign study being expensed to the current fiscal year; increase in legal expenses due to increased litigation services; Increase in Software Maintenance expenses as a result of increased expenditure on Information Technology infrastructure; and increase in Security Services expenses because RTD hired more security officers to ensure our riders and operators are safe and to deter fare evasions.

Fuel and lubricant expenses increased by \$404,575 or 29% primarily due to operating more routes in fiscal year 2023 compared to fiscal year 2022 as a result of service expansions in January 2023. The increase was also due to higher fuel costs per gallon compared to fiscal year 2022.

Tires and tubes expenses increased by \$246,897 or 2602% because in fiscal year 2022 tires and tubes were capitalized and in fiscal year 2023 it was recorded as an expense. RTD will continue to record this as an expense.

Other materials and supplies increased by \$560,991 or 44% primarily due to the purchase of vehicle parts. Due to supply chain issues vehicle part orders were delayed for an extended period and when parts arrived prices were much higher than anticipated due to demand and inflation.

Utilities expenses increased by \$69,551 or 7% mainly due an increase in electric fuel expenses because RTD's electric fleet expended compared to fiscal year 2022.

Insurance expenses increased by \$930,017 or 92% because in fiscal year 2023 an increased accrual in the Payouts for Uninsured Liabilities account was booked for claims that will become due in the future.

Taxes reflect fuel and lubricant taxes, electric power taxes, property assessments, and permits and renewals. The net increase of \$64,977 or 27% was mainly due to an increase in fuel taxes that was a result of higher fuel usage and higher fuel costs.

Purchased Transportation costs increased by \$364,414 or 19% due to new contracted services for Paratransit operated for twelve months in fiscal year 2023 compared to six months in fiscal year 2022.

The net increase in other expenses of \$8,913 or 1% mainly due to advertising expenses for promotion and outreach for new services.

Depreciation expense decreased by \$876,679 or (7%) primarily due to system redesign study capital asset being reclassified to expense in fiscal year 2023 and tires and tubes recorded as an expense in fiscal year 2023 but was capitalized in prior years.

Interest expense is related to the Measure K loan payable.

Expenses – Fiscal Year 2022 vs. 2021

Total expenses (excluding depreciation, pension, and OPEB expenses) for fiscal year 2022 were \$34,378,892 as compared to \$40,275,192 in fiscal year 2021, which is a net decrease of \$5,896,300 or (15%) from prior year.

Operators' salaries increased by \$2,068,921 or 62% in fiscal year 2022 due to services contracted out for Metro Hopper, County Hopper, Commuter, and Van GO! were being operated directly by RTD and as a result more operators were being hired in fiscal year 2022 to provide these services.

Other salaries increased by \$1,322,374 or 21% in fiscal year 2022 mainly due to services contracted out for Metro Hopper, County Hopper, Commuter, and Van GO! were being operated directly by RTD and as a result more mechanics, electronic technicians, utility workers, storekeepers, supervisors, and specialists were being hired in fiscal year 2022.

Net decrease in fringe benefits of \$5,287,784 or (35%) was primarily due to a one-time cash contribution of \$6,040,000 into the defined benefit plan by RTD in fiscal year 2021.

Pension expenses decreased by \$1,205,000 or (62%) due to a decrease in the actuarially-determined pension liability in accordance with GASB statement No. 68.

OPEB expense increased by \$2,860,000 or (82%) mainly due to a decrease in the actuarially-determined OPEB liability in accordance with GASB statement No. 75.

Service expenses increased by \$356,778 or 11% due to an increase in temporary help expense as a result of contracted services being operated directly by RTD. Temporary help was needed by the Human Resources and Transportation department for all the additional recruitment. Temporary help was needed in the Procurement parts department for procurement of additional parts. The Information Technology and Finance department got temporary help to implement and maintain software and to fill in a vacant position, respectively.

Fuel and lubricant expenses increased by \$568,929 or 70% primarily due to operating more routes in fiscal year 2022 compared to fiscal year 2021 as a result of increased ridership as the COVID-19 pandemic and the Governor's stay at home order for non-essential workers restrictions were lifted. Fuel expenses increased also due to higher cost of diesel fuel in fiscal year 2022 compared to fiscal year 2021.

Tires and tubes reflect non-revenue vehicle tire expenses.

Other materials and supplies increased by \$429,117 or 51% primarily due to the purchase of vehicle parts for revenue vehicles taken over by RTD for contracted services. All repairs were done to meet RTD standards. In fiscal year 2022, RTD did not capitalize materials and supplies due to federal 5307 grant restrictions.

Utilities expenses increased by \$70,650 or 8% mainly due an increase in communications expenses as a result of additional radio system for operators and the dispatch department.

Insurance expenses decreased by \$1,477,249 or (59%) because in fiscal year 2021 an increased accrual in the Payouts for Uninsured Liabilities account was booked for claims that will become due in the future.

Taxes reflect fuel and lubricant taxes, electric power taxes, property assessments, and permits and renewals. The net increase of \$63,381 or 35% was mainly due to an increase in fuel taxes that was a result of higher fuel usage and higher fuel costs.

Purchased Transportation costs decreased by \$4,316,097 or (69%) mainly due to services contracted out for Metro Hopper, County Hopper, Commuter, and Van GO! were being operated directly by RTD in fiscal year 2022.

The net increase in other expenses of \$377,706 or 95% is mainly due to the following: a \$186,013 increase in other recruitment expenses due to RTD paying for executive recruiting services for the following vacant positions: Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Procurement Manager, and Mobility Manager; a \$99,992 increase in travel and training expenses due to COVID-19 pandemic restrictions being lifted; and a \$65,957 increase in other miscellaneous expenses.

Depreciation expense increased by \$146,843 or 1% primarily because of additional revenue vehicle purchases, installations of operator barriers, and the installation of battery depot charges in fiscal year in 2022.

Interest expense is related to the Measure K loan payable.

Statements of Net Position

A comparison of RTD's Statements of Net Position as of June 30, 2023, 2022, and 2021 is as follows:

	2023	2022	2023 to 2022 Increase/Decrease		2021	2022 to 2021 Increase/Decrease	
			Amount	%		Amount	%
Current and other assets	\$ 86,278,587	\$ 72,211,305	\$ 14,067,282	19%	\$ 49,024,834	\$ 23,186,471	47%
Capital assets, net of accumulated depreciation	105,122,687	105,019,030	103,657	0%	112,241,697	(7,222,667)	-6%
Total assets	191,401,274	177,230,335	14,170,939	8%	161,266,531	15,963,804	10%
Deferred outflows of resources related to pensions	8,827,000	5,411,000	3,416,000	63%	7,013,000	(1,602,000)	-23%
Deferred outflows of resources related to OPEB	2,127,000	914,624	1,212,376	133%	5,117,624	(4,203,000)	-82%
Total deferred outflows of resources	10,954,000	6,325,624	4,628,376	73%	12,130,624	(5,805,000)	-48%
Current liabilities	30,375,880	20,669,598	9,706,282	47%	17,412,348	3,257,250	19%
Long-term liabilities	37,944,366	30,889,678	7,054,688	23%	50,888,152	(19,998,474)	-39%
Total liabilities	68,320,246	51,559,276	16,760,970	33%	68,300,500	(16,741,224)	-25%
Deferred inflows of resources related to pensions	1,279,000	7,212,000	(5,933,000)	-82%	553,000	6,659,000	1204%
Deferred inflows of resources related to OPEB	2,774,000	4,068,337	(1,294,337)	-32%	1,537,338	2,530,999	165%
Total deferred inflows of resources	4,053,000	11,280,337	(7,227,337)	-64%	2,090,338	9,189,999	440%
Net position							
Net investment in capital assets	101,322,687	99,219,030	2,103,657	2%	104,441,697	(5,222,667)	-5%
Restricted for OPEB	-	1,083,000	(1,083,000)	-100%	-	1,083,000	100%
Unrestricted	28,659,341	20,414,316	8,245,025	40%	(1,435,380)	21,849,696	1522%
Total net position	\$ 129,982,028	\$ 120,716,346	\$ 9,265,682	8%	\$ 103,006,317	\$ 17,710,029	17%

June 30, 2023 vs June 30, 2022

Current and other assets increased by \$14,067,282 or 19% as compared to the prior year, primarily due to an increase in cash and cash equivalents received for current fiscal year's operating expenses from federal reimbursements and increased apportionment from TDA Local Transportation Fund resulted from the State receiving higher-than-anticipated revenues for fiscal year 2023.

Capital assets, net of accumulated depreciation, increased by \$103,657 or (0%) primarily due to the purchase of revenue vehicles.

Total deferred outflows of resources increased by \$4,628,376 or 73% as compared to the prior year primarily due to the increase in the net difference between actual and projected earnings on investments related to pension by \$3,416,000 and OPEB by \$1,212,376.

Current liabilities increased by \$9,706,282 or 47% primarily due to an increase in TDA State Transit Assistance (STA) funds being received in advance for next fiscal year's capital projects.

Long-term liabilities increased by \$7,054,688 or 23% primarily due to a defined benefit plan-related increase in net pension and net OPEB liabilities.

Total deferred inflows of resources decreased by \$7,227,337 or (64%), primarily due to the decrease in the differences between expected and actual experience related to pensions by \$5,933,000, and by the decrease in deferred inflows of resources related to OPEB by \$1,294,337.

Net investment in capital assets increased by \$2,103,657 or 2%, due to capital asset acquisitions.

The unrestricted net position increased by \$8,245,025 or 40% compared to the prior year, mainly due to total revenues of \$51,679,728 exceeding total expenses (excluding depreciation) of \$43,150,838 by \$8,528,890 in fiscal year 2023.

June 30, 2022 vs June 30, 2021

Current and other assets increased by \$22,103,471 or 45% as compared to the prior year, primarily due to an increase in cash and cash equivalents received for current fiscal year's operating expenses from federal reimbursements. Increased apportionment from TDA Local Transportation Fund resulted from the State receiving higher-than-anticipated revenues for fiscal year 2022. There was also an increase in receivables because all TDA funds for fiscal year 2022 were not received in the current fiscal year.

Capital assets, net of accumulated depreciation, decreased by \$7,222,667 or (6%) primarily due to an increase in accumulated depreciation because the prior year's capital purchases were placed in service and depreciated for partial year compared to full-year depreciation in fiscal year 2022.

Total deferred outflows of resources decreased by \$5,805,000 or (48%) as compared to the prior year primarily due to the decrease in the net difference between actual and projected earnings on investments related to OPEB by \$4,203,000. The decrease in deferred outflows of resources related to pension also contributed to the overall decrease.

Current liabilities increased by \$3,257,250 or 19% primarily due to an increase in TDA State Transit Assistance (STA) funds being received in advance for next fiscal year's capital projects.

Long-term liabilities decreased by \$21,081,474 or (41%) primarily due to a defined benefit plan-related decrease in net pension and net OPEB liabilities.

Total deferred inflows of resources increased by \$9,189,999 or 440%, primarily due to the increase in the differences between expected and actual experience related to pensions by \$6,659,000, and by the increase in deferred inflows of resources related to OPEB by \$2,530,999.

Net investment in capital assets decreased by \$5,222,667 or (5%), due to increase in accumulated depreciation.

The unrestricted net deficit increased by \$22,932,696 or 1,598% compared to the prior year, mainly due to total revenues of \$55,648,187 exceeding total expenses (excluding depreciation) of \$30,634,892 by \$25,013,295 in fiscal year 2022.

Capital Assets

Capital assets – net of accumulated depreciation as of June 30, 2023, 2022, and 2021 – are comprised of the following:

	2023	2022	2023 to 2022 Increase/Decrease		2021	2022 to 2021 Increase/Decrease	
			Amount	%		Amount	%
Capital assets not being depreciated							
Land	\$ 11,379,166	\$ 11,379,166	\$ -	0%	\$ 11,379,166	\$ -	0%
Work in process	-	1,220,594	(1,220,594)	-100%	12,133	1,208,461	9960%
Total capital assets not being depreciated	11,379,166	12,599,760	(1,220,594)	-10%	11,391,299	1,208,461	11%
Capital assets being depreciated							
Buildings	85,910,538	85,901,438	9,100	0%	85,857,849	43,589	0%
Revenue equipment	82,240,812	77,041,994	5,198,818	7%	81,303,811	(4,261,817)	-5%
Service vehicles, shop, office and other equipment	46,116,302	42,547,242	3,569,060	8%	41,201,172	1,346,070	3%
Total capital assets being depreciated	214,267,652	205,490,674	8,776,978	4%	208,362,832	(2,872,158)	-1%
Less: accumulated depreciation							
Buildings	(30,818,555)	(27,990,683)	(2,827,872)	10%	(25,133,343)	(2,857,340)	11%
Revenue equipment	(53,026,820)	(50,930,576)	(2,096,244)	4%	(51,322,716)	392,140	-1%
Service vehicles, shop, office and other equipment	(36,678,756)	(34,150,145)	(2,528,611)	7%	(31,056,375)	(3,093,770)	10%
Total accumulated depreciation	(120,524,131)	(113,071,404)	(7,452,727)	7%	(107,512,434)	(5,558,970)	5%
Capital assets, net	\$ 105,122,687	\$ 105,019,030	\$ 103,657	0%	\$ 112,241,697	\$ (7,222,667)	-6%

June 30, 2023 vs. June 30, 2022

Capital assets, net of accumulated depreciation, increased by \$103,657 or (0%) primarily due to the purchase of revenue vehicles.

June 30, 2022 vs. June 30, 2021

Capital assets, net of accumulated depreciation, decreased by \$7,222,667 or (6%) primarily due to an increase in accumulated depreciation because the prior year's capital purchases were depreciated for a partial year (dependent on when they were placed in service during fiscal year 2021) as compared to a full-year depreciation in fiscal year 2022.

See Note 4 for further information.

Long-Term Debt

Long-term debt as of June 30, 2023, 2022, and 2021, is comprised of the following:

	2023	2022	2023 to 2022 Increase/Decrease		2021	2022 to 2021 Increase/Decrease	
			Amount	%		Amount	%
Measure K loan payable	\$ 3,800,000	\$ 5,800,000	\$ (2,000,000)	-34%	\$ 7,800,000	\$ (2,000,000)	-26%
	\$ 3,800,000	\$ 5,800,000	\$ (2,000,000)	-34%	\$ 7,800,000	\$ (2,000,000)	-26%

June 30, 2023 vs. June 30, 2022

The total Measure K loan payable balance decreased by \$2,000,000 due to a payment toward the principal during fiscal year 2023. RTD used \$2,000,000 of its Measure K receivable balance to reduce the principal balance of the Measure K loan payable per the agreement.

June 30, 2022 vs. June 30, 2021

The total Measure K loan payable balance decreased by \$2,000,000 due to a payment toward the principal during fiscal year 2022. RTD used \$2,000,000 of its Measure K receivable balance to reduce the principal balance of the Measure K loan payable per the agreement.

Line of credit is used only when there are delays in receipt of awarded-fund reimbursements. RTD didn't use any line of credit throughout fiscal year 2022. Line of credit had zero balance in fiscal years 2021 and 2022.

See Note 8 for further information.

Economic Condition, Outlook, and Activity

RTD's operating and capital planning decisions are based on the strategic initiatives contained within its annual Strategic Plan. RTD's mission and vision statements guide the initiatives. Our primary mission is to provide a safe, reliable, and efficient transportation system for the region. Our vision is to be the transportation service of choice for the residents we serve. RTD operates on a balanced budget.

RTD's operations are funded mostly by sales tax revenues from State and Local sources and operating assistance from Federal sources. RTD closely monitors economic conditions to proactively plan for sustainable operations.

To prepare for a bright, sustainable future, RTD must invest in environmentally-sound infrastructure. RTD's Hydrogen Fuel Cell Electric buses, Battery Electric buses and Solar Energy Project is a group of projects that leverage green technologies to boost cost savings, which translates to promoting a fiscally and environmentally sustainable transit system.

RTD achieved significant accomplishments in fiscal year 2023 that supported its strategic plan. The most notable of which are the following:

1. Placed 9 new Stockton Metropolitan Area (SMA) battery electric buses into service.
2. Completed installation of the battery energy storage system.
3. Completed construction on the Solar Photovoltaic (PV) panel system.
4. Started farebox rebuild and installation project.
5. Concluded annual CHP inspections with zero defects and complied with drug and alcohol policies.

Contacting RTD's Financial Management

RTD's financial report is designed to provide RTD's Board of Directors, management, and the public with an overview of RTD's finances. For additional information about this report, please contact CEO Alex Clifford, San Joaquin RTD, 421 East Weber Avenue, Stockton, California 95202.

BASIC FINANCIAL STATEMENTS

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2023 AND 2022**

	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 67,336,666	\$ 45,876,790
Receivables	14,789,799	18,441,322
Materials and supplies inventory	1,903,946	1,762,538
Prepaid expenses and other assets	448,176	1,247,655
Total current assets	<u>84,478,587</u>	<u>67,328,305</u>
Noncurrent assets		
Measure K receivable	1,800,000	3,800,000
Capital assets, nondepreciable	11,379,166	12,599,760
Capital assets, net depreciable	93,743,521	92,419,270
Net OPEB asset	-	1,083,000
Total noncurrent assets	<u>106,922,687</u>	<u>109,902,030</u>
TOTAL ASSETS	<u>191,401,274</u>	<u>177,230,335</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	8,827,000	5,411,000
OPEB	<u>2,127,000</u>	<u>914,624</u>
Total Deferred Outflows of Resources	<u>10,954,000</u>	<u>6,325,624</u>
LIABILITIES		
Current Liabilities		
Accounts payable and other liabilities	2,425,604	2,780,621
Accrued payroll and benefits	563,631	990,109
Accrued vacation - current portion	223,098	157,968
Accrued sick leave - current portion	403,730	310,833
Self insurance claims liability - current portion	1,862,628	220,327
Unearned revenue	22,897,189	14,209,740
Measure K loan payable - current portion	<u>2,000,000</u>	<u>2,000,000</u>
Total Current Liabilities	<u>30,375,880</u>	<u>20,669,598</u>
Noncurrent Liabilities		
Accrued vacation	437,906	347,343
Accrued sick leave	644,284	560,599
Self insurance claims liability	1,109,176	2,962,736
Measure K loan payable	1,800,000	3,800,000
Net pension liability	32,680,000	23,219,000
Net OPEB liability	<u>1,273,000</u>	<u>-</u>
Total Noncurrent Liabilities	<u>37,944,366</u>	<u>30,889,678</u>
Total Liabilities	<u>68,320,246</u>	<u>51,559,276</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	1,279,000	7,212,000
OPEB	<u>2,774,000</u>	<u>4,068,337</u>
Total Deferred Inflows of Resources	<u>4,053,000</u>	<u>11,280,337</u>
NET POSITION		
Net investment in capital assets	101,322,687	99,219,030
Restricted for OPEB	-	1,083,000
Unrestricted	<u>28,659,341</u>	<u>20,414,316</u>
Total Net Position	<u>\$ 129,982,028</u>	<u>\$ 120,716,346</u>

The accompanying notes are an integral part of these basic financial statements.

SAN JOAQUIN REGIONAL TRANSIT DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Operating Revenues		
Passenger fares for transit services	\$ 2,215,925	\$ 1,545,337
Auxiliary transportation	94,207	99,324
Non-transportation revenues	<u>632,680</u>	<u>284,957</u>
Total Operating Revenues	<u>2,942,812</u>	<u>1,929,618</u>
Operating Expenses		
Operators' salaries	7,021,013	5,396,725
Other salaries	9,168,687	7,526,719
Fringe benefits	11,582,560	9,968,875
Pension expense	112,000	(3,137,000)
OPEB expense	(150,713)	(607,000)
Service expenses	4,990,570	3,633,887
Fuel and lubricants	1,786,600	1,382,025
Tires and tubes	256,385	9,488
Other materials and supplies	1,825,355	1,264,364
Utilities	1,066,024	996,473
Insurance	1,939,213	1,009,196
Taxes	308,911	243,934
Purchased transportation	2,312,956	1,948,542
Other	786,307	777,394
Depreciation	<u>11,683,221</u>	<u>12,559,900</u>
Total Operating Expenses	<u>54,689,089</u>	<u>42,973,522</u>
Operating Loss	(51,746,277)	(41,043,904)
Nonoperating Revenues (Expenses)		
Local property taxes	1,368,646	1,279,993
State and local cash grants	36,896,445	36,121,028
Federal cash grants	9,147,441	16,184,981
Interest and investment income	1,321,324	132,567
Recoveries	3,060	-
Interest expense	<u>(144,970)</u>	<u>(221,270)</u>
Total Nonoperating Revenues (Expenses)	<u>48,591,946</u>	<u>53,497,299</u>
Net (Loss) Income Before Capital Contributions	(3,154,331)	12,453,395
Capital Contributions		
Grants restricted for capital purposes	<u>12,324,580</u>	<u>5,305,690</u>
Change in Net Position	9,170,249	17,759,085
Total Net Position, Beginning of Year	120,716,346	103,006,317
Prior Period Adjustment	<u>95,433</u>	<u>(49,056)</u>
Total Net Position, Beginning of Year, as Restated	<u>120,811,779</u>	<u>102,957,261</u>
Total Net Position, End of Year	<u><u>\$ 129,982,028</u></u>	<u><u>\$ 120,716,346</u></u>

The accompanying notes are an integral part of these basic financial statements.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 3,783,969	\$ 1,925,660
Payments to suppliers	(15,350,158)	(14,187,614)
Payments to employers	<u>(28,077,722)</u>	<u>(23,176,685)</u>
Net Cash Used in Operating Activities	<u>(39,643,911)</u>	<u>(35,438,639)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Federal operating grants received	14,049,268	15,637,063
State and local operating grants received	34,357,551	32,707,424
Taxes received	1,368,646	1,279,993
Interest paid	<u>(144,970)</u>	<u>(221,270)</u>
Net Cash Provided by Noncapital Financing Activities	<u>49,630,495</u>	<u>49,403,210</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash receipt of Measure K loan receivable	585,279	-
Capital grants received	21,350,507	8,996,982
Acquisition of capital assets	(12,103,993)	(5,337,233)
Disposal of capital assets	317,115	-
Recoveries for capital assets damaged	<u>3,060</u>	<u>-</u>
Net Cash Provided by Capital and Related Financing Activities	<u>10,151,968</u>	<u>3,659,749</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and investment income received	<u>1,321,324</u>	<u>132,567</u>
Net Cash Provided by Investing Activities	<u>1,321,324</u>	<u>132,567</u>
Net Increase in Cash and Cash Equivalents	21,459,876	17,756,887
Cash and Cash Equivalents, Beginning of Year	<u>45,876,790</u>	<u>28,119,903</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 67,336,666</u></u>	<u><u>\$ 45,876,790</u></u>

The accompanying notes are an integral part of these basic financial statements.

SAN JOAQUIN REGIONAL TRANSIT DISTRICT
STATEMENT OF CASH FLOWS (Continued)
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Loss	\$ (51,746,277)	\$ (41,043,904)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation expense	11,683,221	12,559,900
(Increase) decrease in assets and deferred outflows of resources:		
Receivables	355,958	9,790
Materials and supplies inventory	(141,408)	(757,195)
Prepaid expenses and other assets	799,479	(422,593)
Deferred outflows of resources related to pensions	(3,416,000)	1,602,000
Deferred outflows of resources related to OPEB	(1,212,376)	4,203,000
Increase (decrease) in liabilities and deferred inflows of resources:		
Accounts payable and other liabilities	(735,908)	(1,742,523)
Accrued payroll and benefits	(426,478)	230,687
Accrued vacation	155,693	(54,692)
Accrued sick leave	176,582	(12,925)
Unearned revenue	485,199	(13,748)
Self insurance claims liability	(211,259)	(447,435)
Deferred inflows of resources related to pensions	(5,933,000)	6,659,000
Deferred inflows of resources related to OPEB	(1,294,337)	2,530,999
Net pension liability	9,461,000	(11,398,000)
Net OPEB liability	<u>2,356,000</u>	<u>(7,341,000)</u>
Net Cash Used in Operating Activities	<u>\$ (39,643,911)</u>	<u>\$ (35,438,639)</u>
SUPPLEMENTAL NONCASH FINANCING AND INVESTING ACTIVITIES:		
Measure K receivable used to reduce Measure K loan payable per agreement	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>

The accompanying notes are an integral part of these basic financial statements.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Reporting Entity

San Joaquin Regional Transit District (RTD) was organized in 1964 as the Stockton Metropolitan Transit District. In 1994, it was renamed the San Joaquin Regional Transit District to better describe its expanded service area. RTD provides local, inter-city and inter-regional public transportation to the residents of San Joaquin County, California (the County). Commuter service to the Bay Area and Sacramento are also provided by RTD. The RTD is governed by a five-member board consisting of two members appointed by the Stockton City Council, two members appointed by the County Board of Supervisors, and one jointly appointed member by the City Council and Board of Supervisors. The RTD is fiscally independent of the City of Stockton and the County insofar as neither makes budget apportionments to RTD.

B. Measurement Focus, Basis of Accounting, and Presentation

The financial statements of RTD have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

Measurement Focus

The statement of net position and the statement of revenues, expenses, and changes in net position are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and all liabilities (whether current or noncurrent) associated with operations are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the statement of net position and statement of revenues, expenses, and changes in net position, business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with RTD's principal ongoing operational activities. Charges to customers represent RTD's principal operating revenues and include passenger fares, special transit fares, and auxiliary transportation. Operating expenses include the cost of operating, maintenance and support of transit services and related capital assets, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and/or expenses.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, RTD may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position are available to finance program expenditures. RTD's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Certain indirect costs are included in program expenses reported for individual functions and activities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Basis of Accounting (Continued)

Non-exchange transactions, in which RTD gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis of accounting, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been met.

C. Pooled Cash and Investments

Cash from various governmental agencies is pooled for investment purposes by the County Treasurer. Interest received on the investment is prorated to individual agencies based on their average cash balances.

The County is authorized to deposit cash and invest excess funds by the California Government Code section 53648 et. seq. The funds maintained by the County are either secured by Federal depository insurance or collateralized. These pooled funds are carried at cost, which approximates fair value. The funds are available for withdrawal with a 3-day notice.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, RTD considers pooled cash and investments, and deposits in financial institutions (including deposited cash) having an original maturity of three months or less to be cash and cash equivalents.

E. Investments

RTD reports investments at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The change in fair value is included in interest and investment income in the statement of revenues, expenses, and changes in net position.

F. Property Taxes

The County assesses properties, bills for, and collects property taxes per the following schedule:

	<u>Secured</u>	<u>Unsecured</u>
Valuation dates	March 1	March 1
Lien/levy dates	July 1	July 1
Due dates	50% on November 1 50% on February 1	July 1
Delinquent as of	December 10, April 10	August 31

The term “unsecured” refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by RTD in the fiscal year they are levied.

G. Materials and Supply Inventory

Inventory is stated at cost. Inventory held by RTD consists of spare bus parts that are consumed by RTD and are not for resale purposes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets

Property and equipment are carried at cost. RTD's capitalization threshold is \$500. Capital assets are depreciated using the straight-line method over the following estimated lives:

	<u>Years</u>
Buildings and structures	10 – 40 years
Revenue equipment	7 – 10 years
Service vehicles, shop, office, and other equipment	5 – 10 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are expensed as incurred. Such costs are included in operating expenses.

I. Accrued Vacation and Sick Leave

The accrued vacation and sick leave liability are recorded on the statement of net position and is segregated between current and long-term. Changes to the liability are recorded as an increase or decrease to operating expenses on the statement of revenues, expenses, and changes in net position.

Full-time employees accumulate vacation based on length of service. Unused accrued vacation is paid out to employees at the date of termination.

For represented employees, a maximum limit of 239 sick days may be accrued. Upon retirement or termination, an employee will be paid 100% of the value of unused sick leave based upon the wage rate of the employee at the date of retirement or termination. Employees, at their option, may elect to use these funds to pay the cost of the health insurance conversion program, receive the funds in cash, or place the funds into a deferred compensation plan.

After a probationary period, represented employees accrue sick leave according to the following schedule:

<u>Years of Service</u>	<u>Sick Leave Accrual</u>
Less than 1 year worked	1/4 day per month
1 year through 2 years worked	1/2 day per month
2 years or more worked	1 day per month

Beginning with any accumulated balance carried over from prior contracts, which was a maximum of 203 days, the maximum accumulation of sick leave was increased by 12 days each year of the current collective bargaining agreement. The maximum limit was 215 days effective July 1, 2006; 227 days effective July 1, 2007; and 239 days effective July 1, 2008.

Provided that an employee has remaining sick leave of 480 hours, any sick leave in excess thereof can be submitted for payment in September of each year to be paid in December of that year at the wage rate of the employee at that time in cash, into a deferred compensation plan, or at any time during the year can be donated to another employee. Such donations can be made to other employees irrespective of the number of hours of sick leave on mutual agreement of the parties. Non-represented employees accrue 3.69 hours of sick leave per pay period and may not accrue more than 2,080 hours of sick leave at any time.

Upon retirement, employees shall be paid 100% of the value of unused sick leave based upon the wage rate of the employee at the date of retirement. Employees, at their option, may elect to use these funds to pay the cost of the Consolidated Omnibus Budget Reconciliation Act (COBRA) health insurance conversion program, receive the funds in cash, or place the funds into a deferred compensation plan.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Accrued Vacation and Sick Leave (Continued)

During the fiscal year ended June 30, 2017, the new sick leave law for part-time employees took effect. The law applies to employees who work 30 or more days within a year after they begin employment and complete at least 90 days of employment prior to taking any accrued sick time. Part-time employees accrue 1.33 hours of sick leave per pay period.

J. Classification of Revenues and Expenses

Operating revenues include activities that have the characteristics of exchange transactions such as passenger revenues and advertising revenues.

Operating expenses relate to activities with suppliers and to employees and on behalf of employees and do not result from transactions defined as capital and related financing, noncapital financing, or investing activities.

Non-operating revenues include activities that have the characteristics of nonexchange transactions and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting*, and GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

Examples of non-operating revenues include sales tax revenues, federal grants and investment income.

Non-operating expenses result from transactions defined as capital and related financing, non-capital financing, or investing activities.

K. Unearned Revenue

Unearned revenue arises when resources are received by RTD before they are earned.

L. Federal, State, and Local Grants

Federal, state and local grants are accounted for in accordance with the purpose for which the grants are intended. Grants for operating assistance and the acquisition of equipment are recorded as revenues in the year in which the related grant eligibility requirements are met. Advances received on grants are recorded as unearned revenue until related grant eligibility requirements are met.

M. Pension Plan

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Retirement Plan for Members of the San Joaquin Regional Transit District (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

N. Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense information about the fiduciary net position of the San Joaquin Regional Transit District Retirement Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for short-term investments which are carried at cost, which approximates fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Deferred Outflows and Inflows of Resources

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

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

P. Capital Contributions

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, capital grants are required to be included in the determination of net income. Capital contributions were \$12,324,580 and \$5,305,690 for the fiscal years ended June 30, 2023 and 2022, respectively.

Q. Net Position

Net position represents the residual interest in RTD's assets and deferred outflows after liabilities and deferred inflows are deducted. Net position is presented in three broad components: net investment in capital assets; restricted; and unrestricted. Net position – net investment in capital assets includes capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Net position is restricted when constraints are imposed by the third parties or by law through constitutional provisions or enabling legislation. All other net position is unrestricted. Operating losses excluding depreciation are funded by operating and capital reserves.

R. Funding Sources

RTD's primary funding sources are as follows:

Transportation Development Act (TDA)

The TDA provides two sources of funding for public transportation, the Local Transportation Fund (LTF) and the State Transit Assistance (STA) Program. The LTF was created to collect one fourth cent of the State's retail sales tax collected statewide, which ranges from 8.75% - 9.25%. The one fourth cent is returned by the State Board of Equalization to each county based on the amount of tax collected in that county. TDA funds are apportioned, allocated, and paid in accordance with instructions from the State and distributed through the San Joaquin Council of Governments (SJCOG) on an annual basis to RTD for specific transportation purposes. For the fiscal years ended June 30, 2023 and 2022, RTD received and spent apportionments of local transportation funds of \$29,566,157 and \$29,687,763, respectively, to meet, in part, its operating requirements.

The STA Program provides a second source of funding for transportation planning and mass transportation purposes as specified by California Legislation.

Federal Transportation Assistance

Federal Transportation Assistance represents funding from the Federal Transit Administration (FTA) within the U.S. Department of Transportation to assist local transportation needs.

Under provisions of the FTA, 49 U.S.C. Sections 5309 and 5307, Federal resources are made available for planning, capital and capitalized maintenance, subject to certain limitations. For the fiscal years ended June 30, 2023 and 2022, RTD received and spent federal assistance of \$9,147,441 and \$16,184,981, respectively.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results may differ from those estimates.

T. Implementation of New Accounting Pronouncements

During the fiscal year ended June 30, 2023, RTD adopted the following new statements of the Governmental Accounting Standards Board (GASB):

GASB Statement No. 91 – *Conduit Debt Obligations*. The requirements of this statement are effective for fiscal years beginning after December 15, 2021. Earlier application is encouraged. RTD implemented this statement where applicable.

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all fiscal years thereafter. RTD implemented this statement where applicable.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all fiscal years thereafter. RTD implemented this statement where applicable.

GASB Statement No. 99 – *Omnibus 2022*. The requirements of this statement are effective as follows:

- The requirements related to extension of the use of the London Interbank Offered Rate (LIBOR), accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in GASB Statement No. 34, as amended, and terminology updates related to GASB Statement No. 53 and GASB Statement No. 63 are effective upon issuance.
- The requirements related to leases, public-private and public-public partnerships (PPPs), and subscription-based information technology arrangements (SBITAs) are effective for fiscal years beginning after June 15, 2022, and all fiscal years thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 are effective for fiscal years beginning after June 15, 2023, and all fiscal years thereafter.

RTD implemented this statement where applicable.

Future Accounting Pronouncements – Recently released standards by GASB affecting future fiscal years are as follows:

GASB Statement No. 100 – *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*. For fiscal years beginning after June 15, 2023, and all fiscal years thereafter. Earlier application is encouraged. RTD will implement this statement when and where applicable.

GASB Statement No. 101 – *Compensated Absences*. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all fiscal years thereafter. Earlier application is encouraged. RTD will implement this statement when and where applicable.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of June 30, 2023 and 2022, consisted of the following:

	<u>2023</u>	<u>2022</u>
Petty cash	\$ 1,350	\$ 1,050
Workers compensation cash reserve	147,000	147,000
Deposits with financial institutions	418,429	2,001,994
Cash and investments pooled with the County Treasurer	<u>66,769,886</u>	<u>43,726,746</u>
Total cash and cash equivalents	<u>\$ 67,336,665</u>	<u>\$ 45,876,790</u>

County Pool

The fair value of RTD's investment in the County pool is reported in the financial statements at amounts based upon RTD's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Investments Authorized by the California Government Code and RTD's Investment Policy

The table below identifies the investment types that are authorized for RTD by the California Government Code (or RTD's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or RTD's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of RTD, rather than the general provisions of the California Government Code or RTD's investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreement	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

Disclosure Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The funds maintained by the County are either secured by Federal depository insurance or collateralized.

NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

RTD has no formal policy relating to a specific interest rate risk.

Disclosures Related to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County Treasury does not have a rating provided by a nationally recognized statistical rating organization.

RTD has no formal policy relating to a specific credit risk.

Concentration of Credit Risk

The investment policy of RTD contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represented 5% or more of total RTD investments as of June 30, 2023 and 2022.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and RTD's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California Law also allows financial institutions to secure deposits by pledging first true deed mortgage notes having a value of 150% of the public deposits. The bank balance of cash and cash equivalents on deposit with RTD's financial institutions at June 30, 2023 and 2022, totaled \$1,140,651 and \$2,444,433 of which \$890,651 and \$2,194,433, respectively, was not insured by the Federal Deposit Insurance Corporation (FDIC) and was exposed to custodial credit risk.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and RTD's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities through the use of mutual funds or government investment pools (such as the County Treasury).

Fair Value Measurements

RTD categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

RTD does not hold investments that are measured at fair value on a recurring basis. RTD's deposit with the County Treasury as of June 30, 2023 and 2022, is reported at the RTD's pro-rata share of the amortized cost provided by the County for the entire portfolio. This amount approximates fair value.

NOTE 3 – RECEIVABLES

Receivables at June 30, 2023 and 2022, consisted of the following:

	2023	2022
Governmental receivables		
Measure K receivable	\$ 2,000,000	\$ 2,585,279
Federal grants receivable	996,174	5,898,001
State and local grants receivable	227,455	140,395
TDA funds due from SJCOG	11,337,920	9,233,439
Total governmental receivables	14,561,549	17,857,114
Accounts receivables from customers and users	60,317	58,214
Other receivables	167,933	525,994
Total receivables - current	\$ 14,789,799	\$ 18,441,322
Measure K receivable - non-current	\$ 1,800,000	\$ 3,800,000

Refer to Note 8 for further discussion of the Measure K receivable.

NOTE 4 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Retirements	Transfers	Balance June 30, 2023
Capital Assets Not Being Depreciated:					
Land	\$ 11,379,166	\$ -	\$ -	\$ -	\$ 11,379,166
Work in progress	1,220,594	2,065,524	-	(3,286,118)	-
Total Capital Assets Not Being Depreciated	12,599,760	2,065,524	-	(3,286,118)	11,379,166
Capital Assets Being Depreciated:					
Buildings	85,901,438	9,100	-	-	85,910,538
Revenue equipment	77,041,995	8,814,433	(3,615,616)	-	82,240,812
Service vehicles, shop, office, and other equipment	42,547,538	1,782,779	(932,289)	2,718,275	46,116,303
Total Capital Assets Being Depreciated	205,490,971	10,606,312	(4,547,905)	2,718,275	214,267,653
Less Accumulated Depreciation for:					
Buildings	(27,990,682)	(2,827,873)	-	-	(30,818,555)
Revenue equipment	(50,930,577)	(5,262,254)	3,166,011	-	(53,026,820)
Service vehicles, shop, office, and other equipment	(34,150,444)	(3,593,094)	1,064,781	-	(36,678,757)
Total Accumulated Depreciation	(113,071,703)	(11,683,221)	4,230,792	-	(120,524,132)
Total Capital Assets, Net	\$ 105,019,028	\$ 988,615	\$ (317,113)	\$ (567,843)	\$ 105,122,687

NOTE 4 – CAPITAL ASSETS (Continued)

Capital assets activity for the fiscal year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Retirements	Transfers	Balance June 30, 2022
Capital Assets Not Being Depreciated:					
Land	\$ 11,379,166	\$ -	\$ -	\$ -	\$ 11,379,166
Work in progress	12,133	1,208,461	-	-	1,220,594
Total Capital Assets Not Being Depreciated	11,391,299	1,208,461	-	-	12,599,760
Capital Assets Being Depreciated:					
Buildings	85,857,849	43,589	-	-	85,901,438
Revenue equipment	81,303,811	1,715,445	(5,977,262)	-	77,041,994
Service vehicles, shop, office, and other equipment	41,201,172	2,369,738	(1,023,668)	-	42,547,242
Total Capital Assets Being Depreciated	208,362,832	4,128,772	(7,000,930)	-	205,490,674
Less Accumulated Depreciation for:					
Buildings	(25,133,343)	(2,857,340)	-	-	(27,990,683)
Revenue equipment	(51,322,716)	(5,585,122)	5,977,262	-	(50,930,576)
Service vehicles, shop, office, and other equipment	(31,056,375)	(4,117,438)	1,023,668	-	(34,150,145)
Total Accumulated Depreciation	(107,512,434)	(12,559,900)	7,000,930	-	(113,071,404)
Total Capital Assets, Net	\$ 112,241,697	\$ (7,222,667)	\$ -	\$ -	\$ 105,019,030

Depreciation expense for the fiscal years ended June 30, 2023 and 2022, totaled \$11,683,221 and \$12,559,900, respectively.

Depreciation expense for capitalized expenditures related to capital assets for capital grant purposes for the fiscal years ended June 30, 2023 and 2022, totaled:

	2023	2022
Capitalized wages and benefits	\$ 32,447	\$ 1,222
Service expenses	198,157	-
Tires and tubes	32,372	224,461
Other materials and supplies	163,007	221,596
Total	\$ 425,983	\$ 447,279

NOTE 5 – ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities at June 30, 2023 and 2022, consisted of the following:

	2023	2022
Trade payables	\$ 2,286,182	\$ 2,696,146
Accrued interest payable	38,901	57,923
Other payables	100,521	26,552
Total	\$ 2,425,604	\$ 2,780,621

NOTE 6 – ACCRUED VACATION

The following is a summary of changes in the accrued vacation liability for the fiscal years ended June 30, 2023 and 2022:

	<u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2023</u>	<u>Current Portion</u>
Accrued vacation	<u>\$ 505,311</u>	<u>\$ 1,437,852</u>	<u>\$ (776,848)</u>	<u>\$ 1,166,315</u>	<u>\$ 223,098</u>
	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>Current Portion</u>
Accrued vacation	<u>\$ 560,003</u>	<u>\$ 687,036</u>	<u>\$ (741,728)</u>	<u>\$ 505,311</u>	<u>\$ 157,968</u>

NOTE 7 – ACCRUED SICK LEAVE

The following is a summary of changes in the accrued sick leave liability for the fiscal years ended June 30, 2023 and 2022:

	<u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2023</u>	<u>Current Portion</u>
Accrued sick leave	<u>\$ 871,432</u>	<u>\$ 1,565,457</u>	<u>\$ (517,443)</u>	<u>\$ 1,919,446</u>	<u>\$ 403,730</u>
	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>Current Portion</u>
Accrued sick leave	<u>\$ 884,357</u>	<u>\$ 561,275</u>	<u>\$ (574,200)</u>	<u>\$ 871,432</u>	<u>\$ 310,833</u>

NOTE 8 – LONG-TERM OBLIGATIONS**Measure K Loan Payable**

In January 2015, RTD entered into a Measure K loan agreement with SJCOG. The total loan amount available to RTD is \$14,500,000. The total loan payable at June 30, 2023 and 2022, amounted to \$3,800,000 and \$5,800,000, respectively. The loan carries an interest rate of 3.815% over an 18-year period. Interest is due semiannually on March 1 and September 1. The principal balance of the loan is deducted annually starting June 30, 2015, pursuant to an agreed-upon amortization schedule. As security for the interest payments, RTD pledges anticipated allocations of Measure K renewal bus transit funds. In an event of a default in payment of any amount, the entire amount shall become due at the option of SJCOG.

Changes in the Measure K loan payable for the fiscal years ended June 30, 2023 and 2022, are as follows:

	<u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2023</u>	<u>Current Portion</u>
Measure K loan payable	<u>\$ 5,800,000</u>	<u>\$ -</u>	<u>\$ (2,000,000)</u>	<u>\$ 3,800,000</u>	<u>\$ 2,000,000</u>
	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>Current Portion</u>
Measure K loan payable	<u>\$ 7,800,000</u>	<u>\$ -</u>	<u>\$ (2,000,000)</u>	<u>\$ 5,800,000</u>	<u>\$ 2,000,000</u>

For the fiscal years ended June 30, 2023 and 2022, interest paid on the Measure K loan payable was \$144,970 and \$221,270, respectively.

NOTE 8 – LONG-TERM OBLIGATIONS (Continued)

Future maturities of the Measure K loan payable at June 30, 2022, were as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 2,000,000	\$ 68,858
2025	1,800,000	-
Total	<u>\$ 3,800,000</u>	<u>\$ 68,858</u>

NOTE 9 – SELF-INSURANCE CLAIMS

RTD is partially self-insured under various risk management programs. RTD is liable for claims relating to public liability up to \$2,000,000. Claims in excess of \$2,000,000 up to \$10,000,000 are insured with commercial carriers. For claims relating to property damage RTD is liable for claims up to \$1,000,000. Claims in excess of \$1,000,000 up to \$10,000,000 are insured with commercial carriers. For workers' compensation, RTD is liable for claims up to \$1,000,000. Claims in excess of \$1,000,000 up to \$10,000,000 are insured with commercial carriers. It is RTD's policy to accrue the estimated liability for the self-insured portion of these claims. The liability is estimated through an actuarial calculation using known pending claims and statistical analyses of historical claims data. Non-incremental claims adjustment expenses have been included as part of the liability.

Changes in the self-insurance claims liability for the fiscal years ended June 30, 2023 and 2022, are summarized as follows:

	<u>July 1, 2022</u>	<u>Insured Claims</u>	<u>Claims Paid</u>	<u>June 30, 2023</u>	<u>Current Portion</u>
Workers' compensation	\$ 1,570,454	\$ 1,164,204	\$ (1,499,291)	\$ 1,235,367	\$ 178,637
General liability	1,612,609	1,205,877	(1,082,050)	1,736,436	1,683,991
Totals	<u>\$ 3,183,063</u>	<u>\$ 2,370,081</u>	<u>\$ (2,581,341)</u>	<u>\$ 2,971,803</u>	<u>\$ 1,862,628</u>

	<u>July 1, 2021</u>	<u>Insured Claims</u>	<u>Claims Paid</u>	<u>June 30, 2022</u>	<u>Current Portion</u>
Workers' compensation	\$ 1,757,122	\$ 1,496,256	\$ (1,682,924)	\$ 1,570,454	\$ 63,733
General liability	1,873,376	-	(260,767)	1,612,609	156,594
Totals	<u>\$ 3,630,498</u>	<u>\$ 1,496,256</u>	<u>\$ (1,943,691)</u>	<u>\$ 3,183,063</u>	<u>\$ 220,327</u>

There have been no settlements in the most recent three fiscal years that have exceeded insurance limits.

NOTE 10 – UNEARNED REVENUE

Unearned revenue consisted of the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Passenger Fares	\$ 58,437	\$ 49,562
Operating Assistance:		
TDA operating grant funds	175,000	175,000
LTF operating grand funds	2,018,762	1,274,620
Other operating grant funds	567,555	1,659,050
Capital Assistance:		
STA capital grant funds	<u>20,077,435</u>	<u>11,051,508</u>
Total	<u><u>\$ 22,897,189</u></u>	<u><u>\$ 14,209,740</u></u>

Operating Assistance and Passenger Fares

Changes in unearned revenue by funding source for the fiscal years ended June 30, 2023 and 2022, are summarized as follows:

June 30, 2023

	<u>TDA Grant Funds</u>	<u>LTF Grant Funds</u>	<u>Other Grant Funds</u>	<u>Passsenger Fares</u>	<u>Total</u>
Excess operating funds at July 1, 2022	\$ 175,000	\$ 1,274,620	\$ 1,659,050	\$ 49,562	\$ 3,158,232
Allocation received	-	1,261,669	2,817,979	58,437	4,138,085
Funds available	175,000	2,536,289	4,477,029	107,999	7,296,317
Eligible costs	-	(517,527)	(3,909,474)	(49,562)	(4,476,563)
Excess operating funds at June 30, 2023	<u><u>\$ 175,000</u></u>	<u><u>\$ 2,018,762</u></u>	<u><u>\$ 567,555</u></u>	<u><u>\$ 58,437</u></u>	<u><u>\$ 2,819,754</u></u>

June 30, 2022

	<u>TDA Grant Funds</u>	<u>LTF Grant Funds</u>	<u>Other Grant Funds</u>	<u>Passsenger Fares</u>	<u>Total</u>
Excess operating funds at July 1, 2021	\$ 111,829	\$ 763,447	\$ 1,018,330	\$ 63,310	\$ 1,956,916
Allocation received	63,171	862,765	1,623,650	49,562	2,599,148
Interest earned	-	-	-	-	-
Funds available	175,000	1,626,212	2,641,980	112,872	4,556,064
Eligible costs	-	(351,592)	(982,930)	(63,310)	(1,397,832)
Excess operating funds at June 30, 2022	<u><u>\$ 175,000</u></u>	<u><u>\$ 1,274,620</u></u>	<u><u>\$ 1,659,050</u></u>	<u><u>\$ 49,562</u></u>	<u><u>\$ 3,158,232</u></u>

NOTE 10 – UNEARNED REVENUE (Continued)**Operating Assistance and Passenger Fares** (Continued)**Capital Assistance**

Changes in unearned revenue by funding source for the fiscal years ended June 30, 2023 and 2022, were as follows:

June 30, 2023

	STA Grant Funds	Total
Excess capital funds at July 1, 2022	\$ 11,051,508	\$ 11,051,508
Allocation received	9,463,389	9,463,389
Adjustments	519,830	519,830
	<hr/>	<hr/>
Funds available	21,034,727	21,034,727
Less eligible costs - capitalized	(957,292)	(957,292)
	<hr/>	<hr/>
Excess capital funds at June 30, 2023	<u>\$ 20,077,435</u>	<u>\$ 20,077,435</u>

June 30, 2022

	STA Grant Funds	Total
Excess capital funds at July 1, 2021	\$ 7,360,216	\$ 7,360,216
Allocation received	5,104,330	5,104,330
	<hr/>	<hr/>
Funds available	12,464,546	12,464,546
Less eligible costs - capitalized	(1,413,038)	(1,413,038)
	<hr/>	<hr/>
Excess capital funds at June 30, 2022	<u>\$ 11,051,508</u>	<u>\$ 11,051,508</u>

NOTE 11 – DEFINED BENEFIT PENSION PLANA. General***Plan Description and Benefits Provided***

The Retirement Plan for Members of the San Joaquin Regional Transit District, a single-employer defined benefit pension plan (the Plan), provides retirement, health, disability, and death benefits to substantially all of its administrative and contract employees. Employees who retire at or after age 62 with 5 years of credited services are entitled to a retirement benefit, payable monthly for life, equal to 2% of their monthly final compensation times the years of credited service. Final compensation is the average of the 36 consecutive months with the highest earnings. Benefits vest on reaching 5 years of service. Vested employees may retire at or after age 55 with ten years of service and receive reduced retirement benefits, subject to approval of the Retirement Board. In addition, all pension and disability benefits for those employees, who retire at any age, are increased by \$40 per month.

Effective January 1, 2017, all active non-represented and non-vested employees were transitioned from the Plan to the new 401(a) Retirement Savings Plan. See Note 13 for further information.

NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**A. General** (Continued)

The Plan issues a publicly available report which may be obtained by contacting RTD Retirement at 421 E Weber Ave, PO Box 201010, Stockton, California 95201.

The Plan's provisions and benefits in effect at June 30, 2023 and 2022, are summarized as follows:

	<u>2023</u>	<u>2022</u>
Benefit formula	2.0% at 62	2.0% at 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	55-62	55-62
Monthly benefits as a % of eligible compensation	2.00%	2.00%
Required employee contribution rate	19.81%	20.01%
Required employer contribution rate	28.87%	26.17%

At June 30, 2022 and 2021 actuarial valuation date, the following employees were covered by the benefit terms of the Plan:

	<u>2023</u>	<u>2022</u>
Receiving benefits	152	153
Entitled but not receiving benefits	34	33
Active employees	<u>110</u>	<u>125</u>
Total	<u><u>296</u></u>	<u><u>311</u></u>

Contributions

The Plan's Board has the authority for establishing and amending the funding policy. The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate assets to pay benefits when due. Level percentage of payroll employer contribution rates are determined using the entry age normal with frozen initial liability actuarial funding method. The contribution rate in each calendar year is based on the actuarial valuation performed the previous July 1. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

B. Net Pension Liability

RTD's net pension liability is measured as the total pension liability, less the Plan's fiduciary net position. The net pension liability of the Plan for the fiscal years ended June 30, 2023 and 2022, were measured as of June 30, 2022 and 2021, respectively, using an annual actuarial valuation date of July 1, 2022 and June 30, 2021. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**B. Net Pension Liability** (Continued)***Actuarial Assumptions***

The total pension liability in the June 30, 2022 and 2021 actuarial valuation were determined using the following actuarial assumptions:

	2023	2022
Valuation Date	July 1, 2022	July 1, 2021
Measurement Date	June 30, 2022	June 30, 2021
Actuarial Assumptions:		
Discount Rate	5.95% net of investment expenses ⁽¹⁾	5.95% net of investment expenses ⁽¹⁾
Inflation	2.50%	2.50%
Salary Increases	2.75 % plus merit/longevity increases based on entry age and service (CalPERS 1997-2011 Experience Study for Miscellaneous public agency employees)	2.75 % plus merit/longevity increases based on entry age and service (CalPERS 1997-2011 Experience Study for Miscellaneous public agency employees)
Cost of living increase	0.88% per year	0.88% per year
Long-term investment rate of return	5.95% net of investment expenses based on the 2.50% inflation assumption ⁽²⁾	5.95% net of investment expenses based on the 2.50% inflation assumption ⁽²⁾
Mortality rate table	The Society of Actuaries RP-2014 Table with Blue and White Collar adjustment for Represented and non-Represented employees, respectively, projected fully generational with Society of Actuaries Scale MP-2021.	The Society of Actuaries RP-2014 Table with Blue and White Collar adjustment for Represented and non-Represented employees, respectively, projected fully generational with Society of Actuaries Scale MP-2020.

(1) Assumes employer and employees will contribute actuarially determined contribution rates.

(2) The long-term asset allocation was 54% global equity, 6% real estate, 39% fixed income, and 1% cash.

Discount Rate

The discount rate used to measure the total pension liability was 5.95% in 2023 and 5.95% in 2022. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**B. Net Pension Liability**

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

Asset Class	2023		2022	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	54%	4.56%	54%	4.56%
Fixed Income	39%	0.78%	39%	0.78%
Real Estate Investment trust	6%	4.06%	6%	4.06%
Cash	1%	-0.50%	1%	-0.50%
Total	100%		100%	

C. Changes in Net Pension Liability

The changes in the net pension liability over the measurement periods reported were as follows:

Measurement Period 2021-22	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Beginning Balance	\$ 78,822,000	\$ 55,603,000	\$ 23,219,000
Changes in the year:			
Service Cost	1,434,000	-	1,434,000
Interest	4,623,000	-	4,623,000
Changes of Benefits Terms	-	-	-
Differences Between Expected and Actual Experience	(281,000)	-	(281,000)
Changes of Assumptions	142,000	-	142,000
Contribution - Employer	-	2,351,000	(2,351,000)
Contribution - Employee	-	1,517,000	(1,517,000)
Net Investment Income	-	(7,281,000)	7,281,000
Benefit Payments, Including Refunds of Employee Contributions	(5,119,000)	(5,119,000)	-
Administrative Expenses	-	(130,000)	130,000
Net Changes	799,000	(8,662,000)	9,461,000
Ending Balance	\$ 79,621,000	\$ 46,941,000	\$ 32,680,000

NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)C. Changes in Net Pension Liability (Continued)

<u>Measurement Period 2020-21</u>	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Beginning Balance	\$ 77,431,000	\$ 42,814,000	\$ 34,617,000
Changes in the year:			
Service Cost	1,552,000	-	1,552,000
Interest	4,978,000	-	4,978,000
Changes of Benefits Terms	(2,176,000)		(2,176,000)
Differences Between Expected and Actual Experience	(1,903,000)	-	(1,903,000)
Changes of Assumptions	3,752,000	-	3,752,000
Contribution - Employer	-	4,745,000	(4,745,000)
Contribution - Employee	-	1,412,000	(1,412,000)
Net Investment Income	-	11,580,000	(11,580,000)
Benefit Payments, Including Refunds of Employee Contributions	(4,812,000)	(4,812,000)	-
Administrative Expenses	-	(136,000)	136,000
Net Changes	1,391,000	12,789,000	(11,398,000)
Ending Balance	<u>\$ 78,822,000</u>	<u>\$ 55,603,000</u>	<u>\$ 23,219,000</u>

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

The following presents the net pension liability, calculated using the discount rate for the Plan, as well as what the net pension liability would be if it were calculated using a discount rate that is 1- percentage point lower or 1- percentage point higher than the current rate:

	1% Decrease (4.95%)	Discount Rate (5.95%)	1% Increase (6.95%)
Net Pension Liability - 2023	<u>\$ 42,523,000</u>	<u>\$ 32,680,000</u>	<u>\$ 24,445,000</u>
Net Pension Liability - 2022	<u>\$ 33,006,000</u>	<u>\$ 23,219,000</u>	<u>\$ 15,035,000</u>

Pension Plan Fiduciary Net Position

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

NOTE 11 – DEFINED BENEFIT PENSION PLAN (Continued)**D. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions**

For the fiscal years ended June 30, 2023 and 2022, RTD recognized pension expense of \$2,666,000 and \$5,488,000, respectively. At June 30, 2023 and 2022, RTD reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 1,279,000	\$ 33,000	\$ 1,719,000
Changes of Assumptions	2,045,000	-	3,027,000	41,000
Net Differences between Projected and Actual Earnings on Investments	4,228,000	-	-	5,452,000
Employer Contributions Made Subsequent to the Measurement Date	-	-	-	-
	2,554,000	-	2,351,000	-
Total	<u>\$ 8,827,000</u>	<u>\$ 1,279,000</u>	<u>\$ 5,411,000</u>	<u>\$ 7,212,000</u>

The pension contributions of \$2,554,000 and \$2,351,000 made after the measurement date of the net pension liability but before the end of the RTD's reporting period, will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period for the fiscal year ended June 30, 2023 and 2022, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ 1,354,000
2025	1,203,000
2026	329,000
2027	<u>2,108,000</u>
Total	<u>\$ 4,994,000</u>

E. Payable to the Pension Plan

At June 30, 2023 and 2022, RTD did not have an outstanding amount of contributions to the pension plan required for the fiscal years ended June 30, 2023 and 2022, respectively.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**Plan Description**

The Retirement Plan for Members of the San Joaquin Regional Transit District, a single-employer defined benefit pension plan (the Plan), also provides postretirement health benefits to substantially all of its administrative and contract employees. The Retirement Plan's financial statements and additional reports can be obtained by contacting the Administrative Office at 421 East Weber Avenue, Stockton, CA 95202.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Benefits Provided

For retirements before August 1, 2010, retirees with at least 30 years of service retiring after age 55, or those with at least 25 years of service retiring after age 62 receive the same medical, dental and vision coverage for themselves and their spouses as active employees. Retirees with 25 years of service retiring before age 62 will receive full benefits upon attainment of age 62, if they have paid for coverage for themselves and their spouses from the date of retirement.

For retirements after August 1, 2010, retirees after age 55 and 25 years of service, the retiree and spouse receive the same medical, dental and vision benefits as current active employees. The retiree pays a fixed dollar amount of the premiums, equal to the same percentage used to calculate the retiree's pension benefit times the active contribution percentage of the premium amount at retirement. The retiree's contribution remains fixed.

Funding Policy

The Plan's Retirement Board of Directors has the authority for establishing and amending the funding policy. The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate assets to pay benefits when due. Level percentage of payroll employer contribution rates are determined using the entry age normal with frozen initial liability actuarial funding method. The contribution rate in each calendar year is based on the actuarial valuation performed the previous July 1.

Net OPEB Liability/(Asset)

The Plan's net OPEB liability/(asset) was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of June 30, 2022.

Employees Covered by the Benefit Terms

At June 30, 2022 and 2021 (the actuarial valuation date), the following employees were covered by the benefit terms:

<u>Category</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Inactive employees or beneficiaries currently receiving benefit payments	62	63
Active employees	<u>110</u>	<u>125</u>
Total	<u><u>172</u></u>	<u><u>188</u></u>

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information following the notes to the basic financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**Actuarial Methods and Assumptions** (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The total OPEB liability for the June 30, 2022 and 2021 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Measurement Date	June 30, 2022	June 30, 2021
Inflation	2.50%	2.50%
Salary Increases	2.75% plus merit/longevity increases based on entry age and service	2.75% plus merit/longevity increases based on entry age and service
Discount Rate	6.20% net of investment expenses	6.20% net of investment expenses
Healthcare Trend Rates	Non-Medicare - 8.5% for 2024, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) - 7.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076	Non-Medicare - 6.5% for 2023, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Kaiser) - 4.6% for 2023, decreasing to an ultimate rate of 3.75% in 2076
Mortality Rate	Society of Actuaries RP-2014 Table with Blue and White Collar adjustment for represented and non-represented employees, respectively, projected fully generational with Society of Actuaries Scale MP-2021.	Society of Actuaries RP-2014 Table with Blue and White Collar adjustment for represented and non-represented employees, respectively, projected fully generational with Society of Actuaries Scale MP-2020.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) was used and developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	June 30, 2023		June 30, 2022	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	63%	4.56%	63%	4.56%
Fixed Income	29%	0.78%	29%	0.78%
Real Estate Investment Trust	7%	4.06%	7%	4.06%
Cash	1%	-0.50%	1%	-0.50%
Total	100%		100%	

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.20% in 2023 and 6.20% in 2022. The projection of cash flows used to determine the discount rate assumed that the employer and members contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was determined to be the long-term expected rate of return on OPEB plan investments.

Change in the Net OPEB Liability/(Asset)

The changes in the net OPEB liability/(asset) for the measurement period 2021-22 and 2020-21 are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
<u>Measurement Period 2021-2022</u>			
Beginning Balance	\$ 10,670,000	\$ 11,753,000	\$ (1,083,000)
Changes for the Year:			
Service Cost	233,000	-	233,000
Interest on the Total OPEB Liability	652,000	-	652,000
Changes of Benefit Terms	-	-	-
Difference Between Actual and Expected Experience	(489,000)	-	(489,000)
Changes in Assumptions	553,000	-	553,000
Contributions - Employer	-	132,000	(132,000)
Contributions - Employer (Implied Subsidy Benefit Payments)	-	-	-
Contributions - Member	-	-	-
Net Investment Income	-	(1,529,000)	1,529,000
Benefit Payments	(768,000)	(768,000)	-
Administrative Expense	-	(10,000)	10,000
Net Changes	181,000	(2,175,000)	2,356,000
Ending Balance	\$ 10,851,000	\$ 9,578,000	\$ 1,273,000
	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
<u>Measurement Period 2020-21</u>			
Beginning Balance	\$ 12,702,000	\$ 6,444,000	\$ 6,258,000
Changes for the Year:			
Service Cost	277,000	-	277,000
Interest on the Total OPEB Liability	818,000	-	818,000
Changes of Benefit Terms	(67,000)	-	(67,000)
Difference Between Actual and Expected Experience	(1,307,000)	-	(1,307,000)
Changes in Assumptions	(962,000)	-	(962,000)
Contributions - Employer	-	-	-
Contributions - Employer (Implied Subsidy Benefit Payments)	-	3,754,000	(3,754,000)
Contributions - Member	-	260,000	(260,000)
Net Investment Income	-	2,094,000	(2,094,000)
Benefit Payments	(791,000)	(791,000)	-
Administrative Expense	-	(8,000)	8,000
Net Changes	(2,032,000)	5,309,000	(7,341,000)
Ending Balance	\$ 10,670,000	\$ 11,753,000	\$ (1,083,000)

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)***Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate***

The net OPEB liability/(asset) of the Plan, as well as what the Plan's net OPEB liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (5.20%) or one percentage point higher (7.20%) follows:

	1% Decrease 5.20%	Discount Rate 6.20%	1% Increase 7.20%
<u>Measurement Period 2021-22</u>			
Net OPEB Liability/(Asset)	<u>\$ 2,751,000</u>	<u>\$ 1,273,000</u>	<u>\$ 51,000</u>
	1% Decrease 5.20%	Discount Rate 6.20%	1% Increase 7.20%
<u>Measurement Period 2020-21</u>			
Net OPEB Liability/(Asset)	<u>\$ 359,000</u>	<u>\$ (1,083,000)</u>	<u>\$ (2,275,000)</u>

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Healthcare Cost Trend Rates

The net OPEB liability/(asset) of the Plan, as well as what the Plan's net OPEB liability/(asset) would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates follows:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
<u>Measurement Period 2021-22</u>			
Healthcare Cost Trend Rates			
Net OPEB Liability/(Asset)	<u>\$ (15,000)</u>	<u>\$ 1,273,000</u>	<u>\$ 2,846,000</u>
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
<u>Measurement Period 2020-21</u>			
Healthcare Cost Trend Rates			
Net OPEB Liability/(Asset)	<u>\$ (2,338,000)</u>	<u>\$ (1,083,000)</u>	<u>\$ 450,000</u>

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

For the fiscal year ended June 30, 2023 and 2022, the Plan recognized OPEB expense of \$13,000 and \$475,000, respectively. At June 30, 2023 and 2022, the Plan reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources*	Deferred Inflows of Resources*
<u>June 30, 2022 (Measurement Period 2021-22)</u>		
Contributions Made Subsequent to the Measurement Date	\$ 112,000	\$ -
Differences Between Expected and Actual Experience	460,000	1,714,000
Changes of Assumptions	523,000	1,060,000
Net Difference Between Projected and Actual Earnings on Investments	<u>1,032,000</u>	<u>-</u>
Total	<u>\$ 2,127,000</u>	<u>\$ 2,774,000</u>

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)***OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB*** (Continued)

	Deferred Outflows of Resources*	Deferred Inflows of Resources*
<u>June 30, 2022 (Measurement Period 2020-21)</u>		
Contributions Made Subsequent to the Measurement Date	\$ 132,000	\$ -
Differences Between Expected and Actual Experience	609,000	1,743,000
Changes of Assumptions	200,000	1,342,000
Net Difference Between Projected and Actual Earnings on Investments	-	984,000
Total	<u>\$ 941,000</u>	<u>\$ 4,069,000</u>

* Amounts have been rounded to thousands.

The OPEB contributions of \$112,000 and \$132,000 made after the measurement date of the net OPEB liability but before the end of the RTD's reporting period, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period rather than in the current fiscal period for the fiscal year ended June 30, 2023 and 2022, respectively.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>For the Fiscal Year Ending June 30,</u>	<u>Recognized Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ (276,000)
2025	(305,000)
2026	(217,000)
2027	98,000
2028	(63,000)
Thereafter	4,000
Total	<u>\$ (759,000)</u>

Payable to the OPEB Plan

At June 30, 2023 and 2022, RTD did not have an outstanding amount of contributions to the OPEB plan required for the fiscal years ended June 30, 2023 and 2022, respectively.

NOTE 13 – 401(a) RETIREMENT SAVINGS PLAN***Plan Description***

In October 2017, RTD's Board approved to transition all active employees who are non-represented and non-vested in the defined benefit pension plan as of December 31, 2017, to the SJRTD 401(a) Retirement Savings Plan (the Plan) effective January 1, 2017. The Plan is a profit-sharing defined contribution plan under section 401(a) of the Internal Revenue Code.

NOTE 13 – 401(a) RETIREMENT SAVINGS PLAN (Continued)

Eligible Employees

All non-represented future new hires are eligible to participate in the Plan. Current represented employees and non-represented vested employees will continue participation in the defined benefit pension plan, which will remain open for represented new hires.

Eligible employees are those employees of RTD, provided they are not considered as excluded employees under the terms of the Plan. The Plan excludes from participation the following categories of employees:

- Employees covered under a collective bargaining agreement
- Employees vested in the RTD Defined Benefit Plan
- Leased employees
- Certain part-time, seasonal, and temporary employees (as defined under the Plan)

Contributions

Under the Plan, RTD makes contributions to the Plan on behalf of the employee. Plan participants are eligible to make “pick-up” contributions. Such contributions are made by the employee and “picked-up” and treated as an employer contribution. As a pickup contribution, the employee makes a contribution to the Plan and RTD picks up the related tax liability. Employer contributions may also be made on behalf of eligible participants equal to 10% of Plan compensation. Total contributions are subject to Internal Revenue Service (IRS) maximum limits. Participants may also rollover amounts into the Plan from other qualified retirement plans.

Total contributions to the Plan for the fiscal years ended June 30, 2023 and 2022, amounted to \$856,293 and \$554,859, respectively.

Vesting

Plan participants are immediately 100% vested in pick-up contributions and any rollover contributions. Participants become vested in the employer contributions upon completion of three years of vesting service. Certain exceptions to the vesting schedule are specified in the Plan Document.

Distributions

Upon termination of service, a participant with a vested account balance in excess of \$5,000 may elect to receive any one of the following: (a) a lump-sum amount equal to the entire vested account balance, (b) partial distribution if permitted by Plan Administrator, or (c) rollover all (or any portion) of distribution to another qualified plan. If the vested account balance is \$5,000 or less, a participant may elect to receive a lump-sum amount or may elect to rollover the distribution to another qualified plan.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Lawsuits

RTD is involved in various claims and litigation arising in the ordinary course of its operations. RTD management, after consultation with RTD's General Counsel, believes that they have sufficient insurance coverage so that resolution of such matters will not have a material effect on RTD's financial position or results of operations as of and for the fiscal year ended June 30, 2023.

NOTE 14 – COMMITMENTS AND CONTINGENCIES (Continued)**Federal and State Grant Programs**

RTD participates in Federal and State grant programs. These programs were audited in accordance with the provisions of the Uniform Guidance and applicable state requirements. No cost disallowance is expected as a result of these audits; however, these programs may be subject to further examination by the grantors. Awards which may be disallowed by the granting agencies, if any, cannot be determined at this time. Management expects such amounts, if any, to be immaterial.

Construction Commitments

RTD has entered into various contracts for the purchase of materials, professional and non-professional services for construction projects. At June 30, 2023 and 2022, construction commitments totaled \$15,726,996 and \$2,434,995, respectively.

NOTE 15 – SENATE BILL 1 (SB 1) – STATE OF GOOD REPAIR

The Road Repair and Accountability Act of 2017, SB 1 (Chapter 5, Statutes of 2017), signed by the Governor on April 28, 2017, includes a program that will provide additional revenues for transit infrastructure repair and service improvements. This investment in public transit will be referred to as the State of Good Repair (SGR) program. This program provides funding of approximately \$105 million annually to the State Transit Assistant Account. These funds are to be made available for eligible transit maintenance, rehabilitation, and capital projects.

This program demonstrates California's commitment to clean, sustainable transportation, and the role that public transit plays in that vision. While SB 1 addresses a variety of transportation needs, this program has a specific goal of keeping transit systems in a state of good repair, including the purchase of new transit vehicles, the maintenance and rehabilitation of transit facilities and vehicles. These investments will lead to cleaner transit vehicle fleets, increased reliability and safety, and reduced greenhouse gas emissions and other pollutants.

In the fiscal years ended June 30, 2023 and 2022, RTD received SGR funds of \$231,459 and \$826,712, respectively.

NOTE 16 – PRIOR PERIOD ADJUSTMENT

Net Position at July 1, 2022, as previously stated	\$ 120,716,346
Deferred revenues not recognized	476,324
Expenditures previously recognized as capital assets	<u>(380,891)</u>
Net Position at July 1, 2022, as restated	<u>\$ 120,811,779</u>

NOTE 17 – RECLASSIFICATION OF NET POSITION

During the fiscal year ended June 30, 2022, the RTD had a net OPEB asset of \$1,083,000. OPEB assets are subject to restrictions that limit its use for OPEB and prohibit its use for any other purpose. Accordingly, the RTD has reclassified \$1,083,000 of net assets by reducing Unrestricted net position by this amount and increasing Restricted for OPEB by the same amount to reflect the restrictions on its use.

NOTE 18 – SUBSEQUENT EVENTS

RTD has evaluated events subsequent to June 30, 2023, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 27, 2023, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that, no subsequent events occurred that require recognition or additional disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, 2022
LAST 10 YEARS*

Reporting Date	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Measurement Period	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Changes in Total Pension Liability									
Service Cost	\$ 1,434,000	\$ 1,552,000	\$ 1,642,000	\$ 1,536,000	\$ 1,578,000	\$ 1,503,000	\$ 1,912,000	\$ 1,702,000	\$ 1,397,000
Interest	4,623,000	4,978,000	4,865,000	4,723,000	4,525,000	4,562,000	4,610,000	4,031,000	3,837,000
Difference Between Expected and Actual Experience	(281,000)	(1,903,000)	(622,000)	71,000	739,000	(343,000)	(3,148,000)	2,402,000	414,000
Changes in Assumptions	142,000	3,752,000	487,000	(188,000)	-	2,379,000	-	3,171,000	1,718,000
Benefit Payments, Including Refunds of Member Contributions	(5,119,000)	(4,812,000)	(4,273,000)	(3,879,000)	(3,623,000)	(3,832,000)	(3,457,000)	(3,045,000)	-
Changes of Benefit Terms (401(a) Plan Participants)	-	(2,176,000)	-	-	-	-	(13,000)	-	(2,905,000)
Net Changes	799,000	1,391,000	2,099,000	2,263,000	3,219,000	4,269,000	(96,000)	8,261,000	4,461,000
Total Pension Liability - Beginning of Year	<u>78,822,000</u>	<u>77,431,000</u>	<u>75,332,000</u>	<u>73,069,000</u>	<u>69,850,000</u>	<u>65,581,000</u>	<u>65,677,000</u>	<u>57,416,000</u>	<u>52,955,000</u>
Total Pension Liability - End of Year	<u>\$ 79,621,000</u>	<u>\$ 78,822,000</u>	<u>\$ 77,431,000</u>	<u>\$ 75,332,000</u>	<u>\$ 73,069,000</u>	<u>\$ 69,850,000</u>	<u>\$ 65,581,000</u>	<u>\$ 65,677,000</u>	<u>\$ 57,416,000</u>
Changes in Plan Fiduciary Net Position									
Contributions - Employer	\$ 2,351,000	\$ 4,745,000	\$ 2,488,000	\$ 2,367,000	\$ 1,934,000	\$ 1,952,000	\$ 1,970,000	\$ 1,703,000	\$ 1,576,000
Contributions - Employee	1,517,000	1,412,000	1,683,000	1,556,000	1,402,000	1,594,000	1,662,000	1,384,000	1,269,000
Net Investment Income	(7,281,000)	11,580,000	492,000	1,954,000	2,880,000	4,308,000	(86,000)	250,000	4,989,000
Benefit Payments, Including Refunds of Member Contributions	(5,119,000)	(4,812,000)	(4,273,000)	(3,879,000)	(3,623,000)	(3,832,000)	(3,457,000)	(3,045,000)	(2,905,000)
Administrative Expenses	(130,000)	(136,000)	(104,000)	(103,000)	(104,000)	(79,000)	(199,000)	(112,000)	(122,000)
Net Changes	(8,662,000)	12,789,000	286,000	1,895,000	2,489,000	3,943,000	(110,000)	180,000	4,807,000
Fiduciary Net Position - Beginning of Year	<u>55,603,000</u>	<u>42,814,000</u>	<u>42,528,000</u>	<u>40,633,000</u>	<u>38,144,000</u>	<u>34,201,000</u>	<u>34,311,000</u>	<u>34,131,000</u>	<u>29,324,000</u>
Fiduciary Net Position - End of Year	<u>\$ 46,941,000</u>	<u>\$ 55,603,000</u>	<u>\$ 42,814,000</u>	<u>\$ 42,528,000</u>	<u>\$ 40,633,000</u>	<u>\$ 38,144,000</u>	<u>\$ 34,201,000</u>	<u>\$ 34,311,000</u>	<u>\$ 34,131,000</u>
Net Pension Liability - End of Year	<u>\$ 32,680,000</u>	<u>\$ 23,219,000</u>	<u>\$ 34,617,000</u>	<u>\$ 32,804,000</u>	<u>\$ 32,436,000</u>	<u>\$ 31,706,000</u>	<u>\$ 31,380,000</u>	<u>\$ 31,366,000</u>	<u>\$ 23,285,000</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.96%	70.54%	55.29%	56.45%	55.61%	54.61%	52.15%	52.24%	59.45%
Covered Payroll	\$ 8,327,000	\$ 8,170,000	\$ 9,157,000	\$ 9,539,000	\$ 8,122,000	\$ 8,672,000	\$ 11,389,000	\$ 10,355,000	\$ 9,960,000
Net Pension Liability as a Percentage of Covered Payroll	392.46%	284.20%	378.04%	343.89%	399.36%	365.61%	275.53%	302.91%	233.79%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN
AS OF JUNE 30, 2022
LAST 10 YEARS***

Measurement Period	June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 2,554,000	\$ 2,351,000	\$ 2,012,000	\$ 2,488,000	\$ 2,367,000	\$ 1,934,000	\$ 1,952,000	\$ 2,028,000	\$ 1,703,000	\$ 1,576,000
Contributions in Relation to the Actuarially Determined Contributions	2,554,000	2,351,000	4,745,000	2,488,000	2,367,000	1,934,000	1,952,000	2,028,000	1,703,000	1,576,000
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (2,733,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 8,202,000	\$ 8,327,000	\$ 8,170,000	\$ 9,157,000	\$ 9,539,000	\$ 8,122,000	\$ 8,672,000	\$ 11,389,000	\$ 10,355,000	\$ 9,960,000
Contribution as a Percentage of Covered Payroll	31.14%	28.23%	58.08%	27.17%	24.81%	23.81%	22.51%	17.81%	16.45%	15.82%

Notes to Schedule:

Valuation date	July 1, 2021	July 1, 2020	July 1, 2019	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2015	July 1, 2014	July 1, 2013	July 1, 2012
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Method and assumptions used to calculate actuarially determined contribution:

Discount Rate	5.95% net of investment expenses
Inflation Rate	2.50%
Administrative Expenses	Average: prior 3 years
Actuarial Cost Method	Entry-Age Normal, level percent of payroll
Amortization Method	16 year amortization (closed period) from 2022/23, level % of pay
Employer and Employee Contributions	Total contributions are shared evenly between employer and employee, except the employer pays full costs attributable to death and disability benefits, and a small portion of prior frozen UAAL. PEPPRA members pay a Normal Cost rate that is ½ of the total Normal Cost.
All Other Assumptions	Same as those used to develop the Total Pension Liability, 7/1/2021 valuation basis

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF CHANGES IN THE NET OTHER POSTEMPLOYMENT
BENEFITS (OPEB) LIABILITY/(ASSET) AND RELATED RATIOS
JUNE 30, 2022
LAST 10 YEARS*

Reporting Date	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Measurement Period	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB Liability						
Service Cost	\$ 233,000	\$ 277,000	\$ 284,000	\$ 262,000	\$ 266,000	\$ 254,000
Interest on Total OPEB Liability	652,000	818,000	790,000	820,000	828,000	795,000
Changes of Benefit Terms	-	(67,000)	-	-	-	-
Difference Between Expected and Actual Experience	(489,000)	(1,307,000)	875,000	(853,000)	(570,000)	62,000
Changes in Assumptions	553,000	(962,000)	(753,000)	(43,000)	-	910,000
Benefit Payments, including Implied Subsidy	<u>(768,000)</u>	<u>(791,000)</u>	<u>(718,000)</u>	<u>(645,000)</u>	<u>(629,000)</u>	<u>(660,000)</u>
Net Change in Total OPEB Liability	181,000	(2,032,000)	478,000	(459,000)	(105,000)	1,361,000
Total OPEB Liability - Beginning of Year	<u>10,670,000</u>	<u>12,702,000</u>	<u>12,224,000</u>	<u>12,683,000</u>	<u>12,788,000</u>	<u>11,427,000</u>
Total OPEB Liability - End of Year	<u><u>\$ 10,851,000</u></u>	<u><u>\$ 10,670,000</u></u>	<u><u>\$ 12,702,000</u></u>	<u><u>\$ 12,224,000</u></u>	<u><u>\$ 12,683,000</u></u>	<u><u>\$ 12,788,000</u></u>
Changes in Plan Fiduciary Net Position						
Net Investment Income	\$ (1,529,000)	\$ 2,094,000	\$ 14,000	\$ 249,000	\$ 424,000	\$ 650,000
Contributions - Employer	132,000	3,754,000	576,000	461,000	371,000	202,000
Contributions - Employer (Implied Subsidy Benefit Payments)	-	-	-	123,000	122,000	137,000
Contributions - Employee	-	260,000	363,000	382,000	330,000	188,000
Benefit Payments, Cash	(768,000)	(791,000)	(718,000)	(522,000)	(507,000)	(523,000)
Benefit Payments, Implied Subsidy	-	-	-	(123,000)	(122,000)	(137,000)
Administrative Expenses	<u>(10,000)</u>	<u>(8,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>(3,000)</u>
Net Change in Plan Fiduciary Net Position	(2,175,000)	5,309,000	229,000	564,000	612,000	514,000
Fiduciary Net Position - Beginning of Year	<u>11,753,000</u>	<u>6,444,000</u>	<u>6,215,000</u>	<u>5,651,000</u>	<u>5,039,000</u>	<u>4,525,000</u>
Fiduciary Net Position - End of Year	<u><u>\$ 9,578,000</u></u>	<u><u>\$ 11,753,000</u></u>	<u><u>\$ 6,444,000</u></u>	<u><u>\$ 6,215,000</u></u>	<u><u>\$ 5,651,000</u></u>	<u><u>\$ 5,039,000</u></u>
Net OPEB Liability - End of Year	<u><u>\$ 1,273,000</u></u>	<u><u>\$ (1,083,000)</u></u>	<u><u>\$ 6,258,000</u></u>	<u><u>\$ 6,009,000</u></u>	<u><u>\$ 7,032,000</u></u>	<u><u>\$ 7,749,000</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	88.27%	110.15%	50.73%	50.84%	44.56%	39.40%
Covered Payroll	\$ 8,649,000	\$ 8,350,000	\$ 9,303,000	\$ 9,824,000	\$ 8,220,000	\$ 8,739,000
Net OPEB Liability as a Percentage of Covered Payroll	14.72%	-12.97%	67.27%	61.17%	85.55%	88.67%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN
JUNE 30, 2022
LAST 10 YEARS***

Measurement Period	2023	2022	2021	June 30, 2020	2019	2018	2017
Actuarially Determined Contribution	\$ 112,000	\$ 132,000	\$ 421,000	\$ 576,000	\$ 584,000	\$ 493,000	\$ 339,000
Contributions in Relation to the Actuarially Determined Contributions	112,000	132,000	3,728,000	576,000	584,000	493,000	339,000
Contribution Deficiency/(Excess)	\$ -	\$ -	\$ (3,307,000)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 9,343,000	\$ 8,649,000	\$ 8,350,000	\$ 9,303,000	\$ 9,824,000	\$ 8,220,000	\$ 8,739,000
Contribution as a Percentage of Covered Payroll	1.20%	1.53%	44.65%	6.19%	5.94%	6.00%	3.88%

Notes to Schedule:

Valuation date	July 1, 2021	July 1, 2020	July 1, 2019	July 1, 2018	July 1, 2017	July 1, 2016	July 1, 2015
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Method and assumptions used to calculate actuarially determined contribution:

Discount Rate	6.20% net of investment expenses
Inflation Rate	2.50%
Administrative Expenses	Average: prior 3 years
Actuarial Cost Method	Entry-Age Normal, level percent of payroll
Amortization Method	18 year amortization (closed period) from 7/1/2020, level % of pay
Employer and Employee Contributions	Total contributions are shared evenly between employer and employee, except the employer pays full costs attributable to death and disability benefits, and a small portion of prior frozen UAAL. PEPRAs members pay a Normal Cost rate that is ½ of the total Normal Cost.
All Other Assumptions	Same as those used to develop the Total Pension Liability, 7/1/2020 valuation basis

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

STATISTICAL SECTION

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
DESCRIPTION OF STATISTICAL SECTION CONTENTS
JUNE 30, 2023**

This part of the San Joaquin Regional Transit District's (RTD) annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and required supplementary information says about the RTD's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the RTD's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the RTD's most significant operating revenue, passenger fares.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which RTD's financial activities take place and helps make comparisons over time with other governments.

Operating Information

These schedules contain contextual information about RTD's operations and resources to assist readers in using financial statement information to understand and assess RTD's economic condition.

Sources: Unless otherwise noted, the information in these schedules is derived from RTD's annual comprehensive financial reports for the relevant year.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF NET POSITION
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019 Restated*
NET POSITION					
Net investment in capital assets	\$ 101,322,687	\$ 99,219,030	\$ 104,441,697	\$ 109,777,479	\$ 117,169,647
Restricted for OPEB	-	1,083,000	-	-	-
Unrestricted	28,659,341	20,414,316	(1,435,380)	(17,359,111)	(21,539,068)
Total	<u>\$ 129,982,028</u>	<u>\$ 120,716,346</u>	<u>\$ 103,006,317</u>	<u>\$ 92,418,368</u>	<u>\$ 95,630,579</u>
	2018	2017 Restated*	2016	2015**	2014
NET POSITION					
Net investment in capital assets					
Unrestricted	\$ 103,637,197	\$ 101,276,836	\$ 98,686,109	\$ 105,664,696	\$ 84,601,525
	(18,691,320)	(16,247,418)	(7,366,596)	(11,215,667)	1,592,319
Total	<u>\$ 84,945,877</u>	<u>\$ 85,029,418</u>	<u>\$ 91,319,513</u>	<u>\$ 94,449,029</u>	<u>\$ 86,193,844</u>

* Adjustments were made to properly reflect changes in net position as the result of prior periods adjustments.

** Certain prior year amounts have been reclassified to conform to current year presentation.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019 Restated*
OPERATING REVENUE					
Total Operating Revenues	\$ 2,942,812	\$ 1,929,618	\$ 1,571,419	\$ 3,373,975	\$ 3,524,709
Total Operating Expenses	<u>(54,689,089)</u>	<u>(42,973,522)</u>	<u>(46,991,679)</u>	<u>(50,744,315)</u>	<u>(51,928,744)</u>
OPERATING LOSS	<u>(51,746,277)</u>	<u>(41,043,904)</u>	<u>(45,420,260)</u>	<u>(47,370,340)</u>	<u>(48,404,035)</u>
Total Nonoperating Revenues	48,736,916	53,718,569	51,254,202	40,935,996	36,632,056
Total Nonoperating Expenses	(144,970)	(221,270)	(297,570)	(373,870)	(520,199)
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(3,154,331)	12,453,395	5,536,372	(6,808,214)	(12,292,178)
Total Capital Contributions	<u>12,324,580</u>	<u>5,305,690</u>	<u>5,051,577</u>	<u>3,596,003</u>	<u>22,976,880</u>
CHANGES IN NET POSITION	<u><u>\$ 9,170,249</u></u>	<u><u>\$ 17,759,085</u></u>	<u><u>\$ 10,587,949</u></u>	<u><u>\$ (3,212,211)</u></u>	<u><u>\$ 10,684,702</u></u>
	2018	2017**	2016	2015**	2014
OPERATING REVENUE					
Total Operating Revenues	\$ 3,626,273	\$ 3,827,801	\$ 4,303,400	\$ 4,760,481	\$ 5,009,828
Total Operating Expenses	<u>(46,605,935)</u>	<u>(43,854,012)</u>	<u>(42,767,545)</u>	<u>(39,858,489)</u>	<u>(38,423,299)</u>
OPERATING LOSS	<u>(42,979,662)</u>	<u>(40,026,211)</u>	<u>(38,464,145)</u>	<u>(35,098,008)</u>	<u>(33,413,471)</u>
Total Nonoperating Revenues	30,773,513	28,156,778	27,893,134	26,384,247	25,042,192
Total Nonoperating Expenses	(533,473)	(533,105)	(550,875)	(35,410)	-
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(12,739,622)	(12,402,538)	(11,121,886)	(8,749,171)	(8,371,279)
Total Capital Contributions	<u>12,656,081</u>	<u>12,741,263</u>	<u>7,926,550</u>	<u>38,157,481</u>	<u>31,643,064</u>
CHANGES IN NET POSITION	<u><u>\$ (83,541)</u></u>	<u><u>\$ 338,725</u></u>	<u><u>\$ (3,195,336)</u></u>	<u><u>\$ 29,408,310</u></u>	<u><u>\$ 23,271,785</u></u>

* Adjustments were made to properly reflect changes in net position as the result of prior periods adjustments.

** Certain prior year amounts have been reclassified to conform to current year presentation.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	OPERATING REVENUES				TOTAL OPERATING REVENUES	NON-OPERATING REVENUES				TOTAL NON- OPERATING REVENUES
	Pasenger Fares	Special Transit	Auxiliary Transportation	Other		Federal Cash Grants	State and Local Cash Grants	Local Property Taxes	Interest, Investment, Income, and Recoveries	
2023	\$ 2,215,925	\$ -	\$ 94,207	\$ 632,680	\$ 2,942,812	\$ 9,147,441	\$ 36,896,445	\$ 1,368,646	\$ 1,324,384	\$ 48,736,916
2022	1,545,337	-	99,324	284,957	1,929,618	16,184,981	36,121,028	1,279,993	132,567	53,718,569
2021	1,255,399	-	95,933	220,087	1,571,419	17,066,076	32,917,857	1,202,130	68,139	51,254,202
2020	2,999,194	-	103,533	271,248	3,373,975	10,237,933	29,544,813	1,100,797	52,453	40,935,996
2019*	3,116,865	-	112,853	294,991	3,524,709	5,246,408	30,296,675	1,067,846	21,127	36,632,056
2018	3,383,304	-	120,399	122,570	3,626,273	5,139,112	24,622,534	994,899	16,968	30,773,513
2017	3,703,383	-	71,730	52,688	3,827,801	5,762,496	21,414,426	967,785	12,071	28,156,778
2016	4,166,503	-	77,147	59,751	4,303,401	5,193,468	21,777,395	914,739	7,532	27,893,134
2015	4,570,610	-	83,654	106,217	4,760,481	5,779,342	19,726,688	862,738	15,479	26,384,247
2014	4,768,623	-	63,153	178,052	5,009,828	5,752,974	18,465,146	797,429	26,645	25,042,194
2013	4,447,003	-	77,018	73,668	4,597,689	5,426,427	18,268,780	766,148	15,214	24,476,569

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF EXPENSES BY NATURAL CLASSIFICATION
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
OPERATING EXPENSES										
Operators' salaries	\$ 7,021,013	\$ 5,396,725	\$ 3,327,804	\$ 3,852,375	\$ 4,192,602	\$ 3,755,705	\$ 3,569,987	\$ 3,537,251	\$ 3,414,482	\$ 3,561,412
Other salaries	9,168,687	7,526,719	6,209,345	7,226,256	7,172,673	6,841,292	6,528,780	6,196,679	5,518,473	4,992,462
Fringe benefits	11,582,560	9,968,875	15,256,659	10,383,255	10,280,192	8,721,186	8,171,276	7,670,269	6,968,125	6,360,633
Pension expense	112,000	(3,137,000)	(1,932,000)	1,154,000	1,482,000	1,701,000	2,052,000	1,508,520	136,480	-
OPEB expense	(150,713)	(607,000)	(3,467,000)	(390,000)	(171,075)	142,788	-	-	-	-
Service expenses	4,990,570	3,633,887	3,272,109	2,869,122	3,134,495	2,413,621	2,501,870	2,685,890	3,011,937	2,776,356
Fuel and lubricants	1,786,600	1,382,025	813,096	1,212,534	1,553,430	1,320,845	1,230,694	1,244,931	1,778,800	2,097,405
Tires and tubes	256,385	9,488	6,214	6,176	5,951	8,481	9,994	6,049	4,740	4,638
Other materials and supplies	1,825,355	1,264,364	835,247	781,290	748,026	1,083,547	1,085,958	1,147,658	1,214,760	1,148,491
Utilities	1,066,024	996,473	925,823	1,096,796	890,551	865,770	759,687	642,859	514,025	533,043
Insurance	1,939,213	1,009,196	2,486,445	1,027,679	1,075,422	845,477	609,879	546,570	509,624	757,291
Taxes	308,911	243,934	180,553	239,389	264,833	212,394	184,115	194,070	213,895	222,156
Purchased transportation	2,312,956	1,948,542	6,264,639	8,488,896	8,443,714	6,776,292	6,072,352	7,083,584	7,084,038	6,854,644
Other	786,307	777,394	399,688	573,101	1,033,771	1,021,705	726,882	689,848	775,347	743,491
Depreciation	11,683,221	12,559,900	12,413,057	12,223,446	11,822,159	10,895,832	10,350,538	9,613,368	8,749,173	8,369,980
Total Operating Expenses	54,689,089	42,973,522	46,991,679	50,744,315	51,928,744	46,605,935	43,854,012	42,767,546	39,893,899	38,422,002
NONOPERATING EXPENSES										
Interest expense	144,970	221,270	297,570	373,870	520,199	533,473	533,105	550,875	35,410	-
Total expenses	\$ 54,834,059	\$ 43,194,792	\$ 47,289,249	\$ 51,118,185	\$ 52,448,943	\$ 47,139,408	\$ 44,387,117	\$ 43,318,421	\$ 39,929,309	\$ 38,422,002

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SERVICE CONSUMPTION
LAST TEN FISCAL YEARS**

Fiscal Year	Operating Revenues	
	Annual Pasenger Miles	Unlinked Passenger Trips
2023	10,177,976	2,323,068
2022	7,640,564	1,855,213
2021	5,983,028	1,416,258
2020	15,486,725	3,027,645
2019	19,175,809	3,703,148
2018	19,107,535	3,473,628
2017	20,101,181	3,595,637
2016	22,401,840	4,047,559
2015	23,885,347	4,402,964
2014	24,426,308	4,492,883

Passenger Miles: The cumulative sum of the distances ridden by each passenger.

Unlinked Passenger Trips: The number of passengers who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination.

Source: TransTrack S-10

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
PASSENGER RATES**

Effective January 1, 2013

CASH FARES

1-RIDE ADULT (Ages 18-59)	\$	1.50
1-RIDE SENIORS (Age 60 and over)	\$	0.75
1-RIDE DISABLED (w/ proper ID)	\$	0.75
1-RIDE MEDICARE CARD HOLDER (w/ proper ID)	\$	0.75
CHILD (Under Age 4) (Up to three children under age 4 accompanied by a farepaying adult)		FREE
EACH ADDITIONAL CHILD (Under age 4)	\$	1.50
1-RIDE DIAL-A-RIDE	\$	3.00
1-RIDE ADULT METRO EXPRESS BUS PASS (Ages 18-59)	\$	1.50
1-RIDE SENIOR/DISABLED METRO EXPRESS BUS PASS (Age 60 and over, Medicare card holders and certificate of eligibility card holders)	\$	0.75
METRO EXPRESS 1-RIDE PASS	\$	1.50
METRO EXPRESS DISCOUNT 1-RIDE PASS	\$	0.75

31-DAY BUS PASSES

(Unlimited rides for 31 days from first day of use)

ADULT	\$	65.00
STUDENT (Age 5-17 and college students with valid ID)	\$	40.00
SENIOR/DISABLED/MEDICARE CARD HOLDER	\$	30.00

10-DAY BUS PASSES

(Good for 10 uses anytime)

10-DEVIATION PASS (METRO HOPPER ONLY)	\$	10.00
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DAY PASSES

(Unlimited rides on the day issued)

1-DAY ADULT	\$	4.00
1-DAY SENIOR/DISABLED/MEDICARE CARD HOLDER	\$	2.00

COMMUTER

One Way Fare	\$	7.00
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PURCHASE BUS PASS ONLINE

RTD now offers its customers the opportunity to purchase 31-Day, 1-Day , 1-Ride, 10 Deviation bus passes online, Dial-A-Ride, and Van Go 1-Ride.

Source: Accounting and Financial Reporting Department

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Outstanding Debt					
	Measure K Loan Payable	Personal Income	Ratio of Outstanding Debt to Personal Income	Per Capita Personal Income	Population	Outstanding Debt Per Capita
2023	3,800,000	42,967,119,000	0.01%	54,183	793,000	4.79
2022	5,800,000	45,590,787,000	0.01%	57,783	789,000	7.35
2021	7,800,000	39,794,688,000	0.02%	51,816	768,000	10.16
2020	9,800,000	35,926,949,000	0.03%	47,139	762,000	12.86
2019	11,800,000	33,865,937,000	0.03%	44,995	752,000	15.69
2018	13,800,000	29,879,390,000	0.05%	39,789	751,000	18.38
2017	14,000,000	28,636,808,000	0.05%	38,756	739,000	18.94
2016	14,200,000	27,200,000,000	0.05%	37,375	729,000	19.48
2015	8,874,684	24,480,660,000	0.04%	34,755	711,000	12.48

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SAN JOAQUIN COUNTY
DEMOGRAPHIC AND ECONOMIC STATISTICS
(POPULATION EXPRESSED IN THOUSANDS)
LAST TEN FISCAL YEARS**

For the Fiscal Year Ended June 30,	(1) Population	(2) Personal Income	(2) Per Capital Personal Income	(3) Unemployment Rate
2023	793,000	\$ 42,967,119,000	\$ 54,183	6.3%
2022	789,000	45,590,787,000	57,783	5.0%
2021	768,000	39,794,688,000	51,816	9.2%
2020	762,000	35,926,949,000	47,139	10.0%
2019	752,000	33,865,937,000	44,995	6.0%
2018	751,000	29,879,390,000	39,789	6.3%
2017	739,000	28,636,808,000	38,756	7.3%
2016	729,000	27,200,000,000	37,375	8.3%
2015	711,000	24,480,660,000	34,755	7.5%
2014	710,000	24,800,000,000	33,097	10.5%

Data Source:
(1) edd.ca.gov
(2) dot.ca.gov
(3) sjgov.org

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SAN JOAQUIN COUNTY
PRINCIPAL EMPLOYERS**

Employer Name	Location	Industry	Rank	2023 Employee Count	2022 Employee Count	2021 Employee Count	2020 Employee Count	2019 Employee Count	2018 Employee Count	2017 Employee Count	2016 Employee Count	2015 Employee Count	2014 Employee Count
Blue Shield of California	Lodi	Health Plans / Direct Health and Medical Insurance Carriers	1	5,000-9,999	5,000-9,999	5,000-9,999	5,000-9,999	5,000-9,999	5,000-9,999	5,000-9,999	5,000-9,999	5,000-9,999	5,000-9,999
Ashley Lane LP	Stockton	Real Estate	2	1,000-4,999	1,000-4,999	1,000-4,999	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Amazon Fulfillment Ctr	Stockton	Mail Order Fulfillment Services/Electronic Shopping and Mail-Order Houses	3	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	N/A	N/A
Dameron Hospital Assn	Stockton	Hospitals / General Medical and Surgical Hospitals	4	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	N/A
Adventist Health Lodi Memorial	Lodi	Hospitals / General Medical and Surgical Hospitals	5	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999
Lodi Memorial Hospital Home Health	Lodi	Home Health Care Services	6	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999
NA Chaderjian Youth	Stockton	State Govt-Correctional Institutions	7	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	N/A	N/A	N/A	N/A	N/A
Stockton Unified School District	Stockton	School District/Elementary and Secondary Schools	8	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	N/A	N/A	N/A	N/A	N/A
O-G Packing & Cold Storage Co	Stockton	Fruits & Vegetables-Growers & Shippers	9	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999
Prima Fruta Packing Inc.	Linden	Fruit & Produce Packers / Other postharvest crop activities	10	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999
Safeway Distribution Warehouse	Tracy	Distribution Centers (Whls) / All other durable goods merchant wholesalers	11	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999
San Joaquin General Hospital	French Camp	Hospitals / General Medical and Surgical Hospitals	12	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999
San Joaquin County SCH	Stockton	School Districts/Elementary and Secondary Schools	13	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	N/A	N/A	N/A	N/A	N/A
St. Joseph's Regional Health	Stockton	Hospitals / General Medical and Surgical Hospitals	14	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999
SJGOV	Stockton	Government Offices- County	15	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	N/A	N/A	N/A	N/A
Leprino Foods Co	Tracy	Cheese Processors (Mfrs)	16	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999
Waste Management	Lodi	Consultants - Business NEC	17	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999	1,000-4,999
Foster Care Svc	Stockton	County Government - Social/Human Resources	18	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999
Medline	Tracy	Physicians & Surgeons Equip & Splus-Wholesale	19	500-999	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
San Joaquin County CA Public	Stockton	Government Offices - County	20	500-999	500-999	500-999	N/A	N/A	N/A	N/A	N/A	N/A	N/A
San Joaquin Sheriff's Office	French Camp	Government Offices - County/Legislative Bodies	21	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999
Stockton Police Department	Stockton	Police Departments / Police Protection	22	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999
San Joaquin County Human Services	Stockton	County Government - Social/Human Resources	23	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999
Walmart Supercenter	Stockton	Department Stores	24	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999	500-999

Data Source:
(1) Employment Development Department

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – PROFILE**

General Statistics and Service Information

Service Area	1,426 Square Miles
Employees	264
Vehicles Available for Service	146
Metro Routes	31
Metro Hopper Deviated Fixed Routes	7
County Hopper Deviated Fixed Routes	5
Commuter Routes	3

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – 2023 AND 2024 OPERATING BUDGETS**

	<u>FY 2024 (1)</u>	<u>FY 2023 (1)</u>	<u>Difference</u>	<u>% Change</u>
REVENUES				
Passenger Fares and Special Fares	\$ 2,212,427	\$ 2,110,598	\$ 101,829	4.82%
Non-Transportation Revenues	1,120,127	769,254	350,873	45.61%
Operating Assistance				
Federal Cash Grants	8,690,077	6,806,743	1,883,334	27.67%
Local Property Taxes	1,336,386	1,269,986	66,400	5.23%
LCTOP (State Fund)	1,602,176	1,556,856	45,320	2.91%
TDA - LTF / STA Program	32,538,399	30,471,785	2,066,614	6.78%
Measure K	<u>5,706,030</u>	<u>5,706,030</u>	<u>-</u>	<u>0.00%</u>
TOTAL REVENUES	<u><u>\$ 53,205,622</u></u>	<u><u>\$ 48,691,252</u></u>	<u><u>\$ 4,514,370</u></u>	<u><u>9.27%</u></u>
EXPENDITURES				
Labor and Fringes	\$ 36,894,202	\$ 33,254,131	\$ 3,640,071	10.95%
Services	4,815,579	4,222,065	593,514	14.06%
Fuel and Lubricants and Supplies	3,669,898	3,978,209	(308,311)	-7.75%
Utilities	1,270,442	1,194,461	75,981	6.36%
Insurance	1,938,588	2,189,380	(250,792)	-11.45%
Taxes and Licenses	289,031	337,278	(48,247)	-14.30%
Purchased Transportation	2,299,663	2,163,119	136,544	6.31%
Miscellaneous and Contingency	<u>2,028,219</u>	<u>1,352,609</u>	<u>675,610</u>	<u>49.95%</u>
TOTAL EXPENDITURES	<u><u>\$ 53,205,622</u></u>	<u><u>\$ 48,691,252</u></u>	<u><u>\$ 4,514,370</u></u>	<u><u>9.27%</u></u>

(1) Budgeted amounts

Source: Accounting and Financial Reporting Department

SAN JOAQUIN REGIONAL TRANSIT DISTRICT OPERATING INFORMATION – AVAILABLE FUNDING SOURCES

The following section provides a description of each of the major funding resources used by RTD and their available uses.

Fare Revenue

RTD collects fares from passengers to ride the bus. The current fare schedule is available on page 56.

FTA Section 5307

Purpose

The Urbanized Area Formula Funding program (49 U.S.C. 5307) makes Federal resources available to urbanized areas and to Governors for transit capital and operating assistance and for transportation related planning in urbanized areas. An urbanized area is a Census-designated area with a population of 50,000 or more as determined by the U.S. Department of Commerce, Bureau of the Census.

Statutory References

49 U.S.C. Sections 5307 and 5340 / FAST ACT Sections 3004, 30149 U.S.C. Section 5305 – Planning Programs

Eligible Recipients

Funding is made available to designated recipients, which must be public bodies with the legal authority to receive and dispense Federal funds. Governors, responsible local officials and publicly owned operators of transit services are required to designate a recipient to apply for, receive, and dispense funds for urbanized areas pursuant to 49 U.S.C. 5307(a)(2). The Governor or Governor's designee is the designated recipient for urbanized areas between 50,000 and 200,000.

Eligible Activities

Eligible activities include planning, engineering, design and evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus-related activities such as replacement of buses, overhaul of buses, rebuilding of buses, crime prevention and security equipment and construction of maintenance and passenger facilities; and capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. All preventive maintenance and some Americans with Disabilities Act complementary paratransit service costs are considered capital costs.

For urbanized areas with populations less than 200,000, operating assistance is an eligible expense. For urbanized areas with 200,000 in population and over, funds are apportioned and flow directly to a designated recipient selected locally to apply for and receive Federal funds. For urbanized areas under 200,000 in population, the funds are apportioned to the Governor of each state for distribution.

FTA Section 5311 CARES Act

Purpose

The overall goal of the FTA 5311 program is to enhance the availability of public transit in rural areas and provide public transportation opportunities to residents in rural areas for access to employment, education and health care, shopping, and recreation.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

FTA Section 5311 CARES Act (Continued)

Statutory Reference

49 U.S.C. Section 5311 / Fixing America's Surface Transportation Act (FAST) Section 3007

Eligible Recipients

Public transit providers, state and local governments, rural transportation planning agencies, private-nonprofit organizations, Tribal Governments, and private intercity bus operators (5311(f)). All subrecipients are required to be compliant with FTA regulations.

Eligible Activities

Eligible projects include capital projects, planning and operating assistance projects. CARES Act projects are 100% federally funded and require no local share.

FTA 5310

Program Overview

The Federal Transit Administration (FTA) Section 5310 – Enhanced Mobility of Seniors and Individuals with Disabilities Program is authorized by 49 United States Code (U.S.C.) 5310.

The goal of the FTA 5310 Program is to improve the mobility of seniors and individuals with disabilities by removing barriers to transportation services and expanding the transportation mobility options available.

This program provides grant funds for capital, mobility management, and operating expenses for:

Public transportation projects planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable; Public transportation projects that exceed the requirements of the Americans with Disabilities Act (ADA); Public transportation projects that improve access to fixed-route service and decrease reliance on complementary paratransit; and Alternatives to public transportation projects that assist seniors and individuals with disabilities and with transportation.

Eligible Projects

- Capital - Vehicles (ADA accessible vehicles) and related equipment (cameras, mobile radios, scheduling software, etc.)
- Mobility Management (Travel training, One Stop Call Center, etc.)
- Operating Assistance

Eligible Applicants

- Private non-profit organizations (all projects)
- Public agencies where no private non-profits are readily available to provide service (Capital and Mobility Management)
- Public agencies that have been approved by the State to coordinate transportation services (CTSA) (Capital and Mobility Management)
- Public agencies (for Operating Assistance and Mobility Management projects)

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

FTA Section 5311

Purpose

This program provides capital, planning, and operating assistance to states and federally recognized Indian tribes to support public transportation in rural areas with populations less than 50,000, where many residents often rely on public transit to reach their destinations. It also provides funding for state and national training and technical assistance through the Rural Transportation Assistance Program.

Statutory References

- 49 U.S.C. Section 5311 / Fixing America's Surface Transportation Act (FAST) Section 3007

Eligible Recipients

- States, Indian tribes or Alaskan Native villages, groups or communities identified by the Bureau of Indian Affairs (BIA)
- Subrecipients: State or local government authorities, nonprofit organizations, operators of public transportation or intercity bus service that receive funds indirectly through a recipient.

Eligible Activities

Planning, capital, operating, job access, and reverse commute projects, and the acquisition of public transportation services

FTA Section 5339

Purpose

The Grants for Buses and Bus Facilities program (49 U.S.C. 5339) makes Federal resources available to States and designated recipients to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities including technological changes or innovations to modify low or no emission vehicles or facilities. Funding is provided through formula allocations and competitive grants. A sub-program provides competitive grants for bus and bus facility projects that support low and zero-emission vehicles.

Statutory References

49 U.S.C. Section 5337 / FAST Section 3017

Eligible Recipients

Eligible Recipients include designated recipients that operate fixed route bus service or that allocate funding to fixed route bus operators; and State or local governmental entities that operate fixed route bus service that are eligible to receive direct grants under 5307 and 5311.

Subrecipients: An eligible recipient that receives a grant under the formula or discretionary programs may allocate amounts from the grant to subrecipients that are public agencies or private nonprofit organizations engaged in public transportation.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

FTA Section 5339 (Continued)

Eligible Activities

- Capital projects to replace, rehabilitate, and purchase buses, vans, and related equipment, and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.

FTA Section 5312 – Integrated Mobility Innovation (IMI)

Overview

Today, a diverse mobility ecosystem provides unprecedented flexibility and choices, including public transit, bikeshare, ride-hailing, electric scooters, and micro-transit. Public transportation agencies are taking on new roles as mobility managers, seeking to manage the evolving transportation ecosystem to meet their communities' needs while they simultaneously transform themselves to offer better, more integrated service.

The IMI demonstration program supports the transit industry's ability to leverage and integrate mobility innovations with existing services, while examining the impact of innovations on agency operations and the traveler experience.

IMI unifies three research focus areas: Mobility on Demand, Transit Automation, and Mobility Payment Integration. These areas examine how new service models, technologies, and other solutions can be brought together to support Complete Trips for All.

The goals of IMI are to:

- Explore new business approaches and technology solutions that support mobility
- Enable communities to adopt innovative mobility solutions that enhance transportation efficiency and effectiveness
- Facilitate the widespread deployment of proven mobility solutions that expand personal mobility

The primary objectives of IMI are to:

- Enhance transit industry preparedness for IMI
- Assist the transit industry to develop the ability to integrate IMI practices with existing public transit service
- Validate the technical and institutional feasibility of IMI business models, and document IMI best practices that may emerge from the demonstrations
- Measure the impacts of IMI on travelers and transportation systems
- Examine relevant public sector and Federal requirements, regulations, and policies that may support or hamper the public transit sector's adoption of IMI.

Eligible Activities

- Eligible activities include all activities leading to the demonstration, such as planning and developing business models, obtaining equipment and service, acquiring or developing software and hardware interfaces to implement the project, operating the demonstration, and providing data to support performance measurement and evaluation.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

FTA Section 5312 – Integrated Mobility Innovation (IMI) (Continued)

Eligible Recipients

Eligible applicants under this notice are providers of public transportation, including public transportation agencies, state/local government DOTs, and federally recognized Indian tribes.

Statutory References

- Public transportation innovation (49 U.S.C. § 5312)

Sustainable Transportation Equity Projects (STEP)

STEP is a new transportation equity pilot that aims to address community residents' transportation needs, increase access to key destinations, and reduce greenhouse gas emissions by funding planning, clean transportation, and supporting projects.

STEP's overarching purpose is to increase transportation equity in disadvantaged and low-income communities throughout California via two types of grants: Planning and Capacity Building Grants and Implementation Grants. Within these two grant types, CARB currently has up to \$19.5 million available.

The California Air Resources Board has awarded 11 grants totaling \$19.5 million to community-based organizations and local governments across California that will help disadvantaged and low-income communities address transportation needs with innovative clean, sustainable transportation solutions.

"The goal of this pioneering project is to boost transportation equity by designing the program whereby communities make decisions about their own transportation needs, with the objective of helping residents get where they need to go — be it the doctor's office, grocery store or daycare — without using a personal vehicle," CARB Executive Officer Richard W. Corey said.

STEP will help support Governor Newsom's Executive Order phasing out gasoline-powered cars and requiring 100 percent sales of zero-emission cars in 2035. This will drastically reduce demand for fossil fuels, cut vehicle emissions, protect public health, and propel California toward carbon neutrality in the mid-century.

Statutory References

STEP supports the goals of Senate Bill (SB) 1275 (De Leon, Chapter 530, Statutes of 2014) for prioritizing low-and zero-carbon transportation alternatives; SB 375 (Steinberg, Chapter 728, Statues of 2008) for reducing greenhouse gas emissions through more integrated transportation, housing, and land use planning and SB 350 (De Leon, Chapter 547, Statutes of 2015) for overcoming barriers for low-income consumers and disadvantaged communities to access clean transportation options. Disadvantaged and low-income communities are identified per Assembly Bill 1550 (Gomez, Chapter 369, Statues of 2016

Eligible Recipients

Cities, counties, community-based organizations, or tribes as lead applicants (representing a broader coalition of community, public agency, and private partners as co-applicants)

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

Sustainable Transportation Equity Projects (STEP) (Continued)

Eligible Activities

- Community transportation needs assessment
- Community engagement
- Feasibility studies
- Land use and mobility plans
- Other

Congestion Mitigation and Air Quality (CMAQ)

Purpose

The FAST Act continued the CMAQ program to provide a flexible funding source to State and local governments for transportation projects and programs to help meet the requirements of the Clean Air Act. Funding is available to reduce congestion and improve air quality for areas that do not meet the National Ambient Air Quality Standards for ozone, carbon monoxide, or particulate matter (nonattainment areas) and for former nonattainment areas that are now in compliance (maintenance areas).

Statutory References

FAST Act § 1114; 23 U.S.C. 149

Eligible Recipients

As under MAP-21, the FAST Act directs FHWA to apportion funding as a lump sum for each State then divide that total among apportioned programs. Once each State's combined total apportionment is calculated, funding is set-aside for the State's CMAQ Program.

Eligible Activities

Funds may be used for a transportation project or program that is likely to contribute to the attainment or maintenance of a national ambient air quality standard, with a high level of effectiveness in reducing air pollution, and that is included in the metropolitan planning organization's (MPO's) current transportation plan and transportation improvement program (TIP) or the current state transportation improvement program (STIP) in areas without an MPO.

The FAST Act added eligibility for verified technologies for non-road vehicles and non-road engines that are used in port-related freight operations located in ozone, PM10, or PM2.5 nonattainment or maintenance areas funded in whole or in part under 23 U.S.C. or chapter 53 of 49 U.S.C. [23 U.S.C. 149(b)(8)(A)(ii)]

The Act also specifically makes eligible the installation of vehicle-to-infrastructure communications equipment. [23 U.S.C. 149(b)(9)]

The FAST Act continues eligibility for electric vehicle and natural gas vehicle infrastructure and adds priority for infrastructure located on the corridors designated under 23 U.S.C. 151. [23 U.S.C. 149(c)(2)]

The FAST Act amended the eligible uses of CMAQ funds set aside for PM2.5 nonattainment and maintenance areas. PM2.5 set-aside funds may be used to reduce fine particulate matter emissions in a PM2.5 nonattainment or maintenance area, including—

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

Congestion Mitigation and Air Quality (CMAQ) (Continued)

- diesel retrofits;
- installation of diesel emission control technology on nonroad diesel equipment or on-road diesel equipment that is operated on a highway construction projects; and
- the most cost-effective projects to reduce emissions from port-related landside nonroad or on- road equipment that is operated within the boundaries of the area. [23 U.S.C. 149(k)(2) & (4)]

Local Property Tax

RTD receives property tax revenues for properties within the County in accordance with the Revenue and Taxation Code, Section 97.

Low Carbon Transit Operations Program (LCTOP)

Purpose

The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emission and improve mobility, with a priority on serving disadvantaged communities.

This program will be administered by Caltrans in coordination with Air Resource Board (ARB) and the State Controller's Office (SCO). The California Department of Transportation (Caltrans) is responsible to ensure that the statutory requirements of the program are met in terms of project eligibility, greenhouse reduction, disadvantaged community benefit, and other requirements of the law.

Statutory References

- Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862. Senate Bill 862 continuously appropriates five percent of the annual auction proceeds in the Greenhouse Gas Reduction Fund (Fund) for LCTOP, beginning in 2015-16.

Eligible Recipients

California transit agencies

Eligible Activities

Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions. For agencies whose service area includes disadvantaged communities, at least 50 percent of the total moneys received shall be expended on projects that will benefit disadvantaged communities.

Measure K

Measure K is the half-cent sales tax dedicated to transportation projects in San Joaquin County. With its original passage in November 1990, Measure K began laying the groundwork for two decades of funding for a system of improved highways and local streets, new passenger rail service, regional and inter-regional bus routes, park-and-ride lots, new bicycle facilities, and railroad crossings. Its innovative multimodal approach to transportation clearly distinguishes Measure K from other countywide sales tax programs.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

Measure K (Continued)

On November 7, 2006, San Joaquin County voters decided to extend Measure K for an additional 30 years. The renewal of Measure K is estimated to generate \$2.552 billion for the transportation programs identified in the Measure K Expenditure Plan.

The categorical allocations of Measure K include local street repairs and roadway safety (35%), congestion relief projects (32.5%), railroad crossing safety projects (2.5%), and passenger rail, bus, and bicycles (30%), which includes dedicated funding for bus rapid transit and safe routes to schools.

Measure L

Measure L is a ½ cent sales tax that was approved by Stanislaus County voters in November of 2016 to provide funding for local transportation improvements and street maintenance. With these voter-approved local transportation funds, the City of Ceres is able to maintain and improve their transportation system. The City of Ceres is also more successful in competing for funding of state and federal transportation dollars. Measure L funds must stay local and can only be spent on transportation.

PG&E's EV Charging Infrastructure Program (Priority Review Project)

Purpose

Pursuant to the passing of Senate Bill 350, Pacific Gas & Electric Company (PG&E) filed a transportation electrification (TE) application focused on accelerating electrification in the medium and heavy-duty sectors. The goal of this pilot is to lower total cost of ownership for electric fleet vehicles, as compared to fossil fuel vehicles, by addressing two critical barriers: (i) upfront infrastructure costs; and (ii) higher ongoing fuel costs of electricity compared to gas.

Statutory References

California Senate Bill 350

Eligible Recipients

California Transit Agencies

Eligible Activities

PG&E will partner with one transit agency in a Disadvantaged Community to provide infrastructure and tools to support the deployment of 2-10 electric transit buses.

State of Good Repair

Purpose

The State of Good Repair Program provides approximately \$105 million annually to transit operators in California for eligible transit maintenance, rehabilitation, and capital projects. The State of Good Repair Program will benefit the public by improving transportation services in providing public transportation agencies a consistent and dependable revenue source to invest in the upgrade, repair, and improvement of their agency's transportation infrastructure.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

State of Good Repair (Continued)

Statutory References

The Road Repair and Accountability Act of 2017, Senate Bill (SB) 1 (Chapter 5, Statutes of 2017), signed by the Governor on April 28, 2017, includes a program that will provide additional revenues for transit infrastructure repair and service improvements. This investment in public transit will be referred to as the State of Good Repair (SGR) Program. This program receives funding of approximately \$105 million annually. SGR funds are to be made available for eligible transit maintenance, rehabilitation and capital projects.

Eligible Recipients

Public transit operators who have submitted the required project information to their respective Regional Entities for review and have been evaluated to be eligible to receive State of Good Repair funding and determined to best meet local transportation needs.

Eligible Activities

The goal of the State of Good Repair Program is to provide funding for capital assistance in rehabilitating and modernizing California's existing local transit systems.

Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)

HVIP accelerates market transformation by incentivizing the purchase of zero-emission heavy-duty trucks and buses for California fleets by providing vouchers for purchasers and lessees for eligible vehicles on a first come, first-served basis. HVIP provides increased incentives for fleets purchasing zero-emission vehicles located in disadvantaged communities with a goal of at least 50 percent of HVIP funding supporting vehicles domiciled in disadvantaged communities. In addition, HVIP incorporates set-asides for school buses, drayage, and transit vehicles.

HVIP stimulates the development, deployment, and commercialization of advanced vehicle technology. These technologies are critical to help California meet its near- and long-term air quality and climate change goals. Additionally, the project benefits the citizens of California by providing immediate air pollution and greenhouse gas emission reductions.

HVIP will continue to be administered and implemented through a partnership between CARB and a Grantee, selected via this competitive solicitation. Eligible applicants wishing to apply for the role of project administrator must submit an application electronically to CARB no later than 5:00 p.m. (PT) August 29, 2023. More information regarding the application process can be found in Section VIII, Application Instructions of this solicitation.

Eligible Applicants

Nonprofit Public Agency

This competitive solicitation is open to local air districts, other California-based public entities (e.g., public agencies, municipalities, counties, special districts), or California-based non-profit organizations.

Transportation Development Act (TDA)

The TDA is a dedicated funding source available to public transit, and it is the primary source of RTD operating revenues. The TDA provides two sources of funding for public transportation, the Local Transportation Fund (LTF) and the State Transit Assistance (STA) funding. The LTF and STA receive revenues through gasoline and sales taxes within the County, however these funds are available to the State in times of fiscal crisis and are not as reliable in a declining economy.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

Transportation Development Act (TDA) (Continued)

The LTF is funded from one quarter of one cent of the six cents in state sales tax collected per dollar of retail receipts. The allocated portion for LTF is returned to each county based on the amount of tax dollars collected in that County. The State distributes the LTF to available jurisdictions (incorporated cities and the County) based on population. RTD currently receives the full apportionment of LTF from the City of Stockton for SMA operations. RTD also receives the full apportionment of the County LTF for operations of the Hopper, Intercity, and Dial-A-Ride services.

The STA is funded from the statewide sales tax on motor vehicle fuels. The State allocates these funds based on a ridership and operations formula for each County. The formula allocates 50% of the funds according to ridership and the remaining according to transit operator revenues. STA revenues are eligible for both operating and capital expenditures.

The Road Repair and Accountability Act of 2017, Senate Bill (SB) 1 (Chapter 5, Statutes of 2017), signed by the Governor on April 28, 2017, includes a program that will provide additional revenues for transit infrastructure repair and service improvements. This investment in public transit is referred to as the State of Good Repair program. This program provides funding of approximately \$105 million annually to the State Transit Assistance (STA) Account. These funds are to be made available for eligible transit maintenance, rehabilitation, and capital projects.

Low Carbon Fuel Standards (LCFS) Credits

The LCFS aims to reduce emissions in the transportation sector by limiting the carbon intensity (CI) of fuels used. The LCFS program is administered by the California Air Resources Board (CARB), which sets targets for the CI of fuels used in the state. Fuels like petroleum are high CI fuels, whereas compressed natural gas, biogas, hydrogen, and electricity used for electric vehicles (EVs) are low CI fuels.

Owners and operators of electric vehicle charging equipment (EVSE) can participate in the LCFS market and generate LCFS credits for providing EV charging services. These credits can contribute meaningfully to the ROI of installing EVSE at your place of business. Recognizing the current need to accelerate EV charging infrastructure, in some cases, CARB allows LCFS credits to be generated not just for EV charging activity but also for installing EVSE capacity at the location. This allows LCFS to provide incentive to install EVSE regardless of utilization while EV adoption increases.

LCFS credits for EV charging stations are determined by the amount of energy provided to vehicles. Prices for LCFS credits fluctuate with the demand for credits. The average price from 2018-2020 ranged from \$150-\$200 per credit. The average price in January 2021 was \$199 per credit.

Bus and Shelter Advertising

RTD currently contracts out all of the sales of advertising space on RTD's fleet and facilities. RTD staff also pursue in-kind partnerships for advertising with applicable partners.

Rental Income – SBA

RTD currently contracts with Small Business Administration (SBA) to provide space for cell tower at Regional Transit Center (RTC).

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
OPERATING INFORMATION – AVAILABLE FUNDING SOURCES (Continued)**

Other

RTD pursues discretionary and competitive funding, as opportunities become available, that would assist with operating activities or capital improvements. RTD will continue to pursue Public/Private Partnership (PPP) and sponsorships for specific operations assistance. Examples of this include maintaining agreements with school districts, secondary education districts, and local governments to develop agreements for service and purchase of discounted monthly passes for retail sale to the public. RTD anticipates expanding PPP opportunities to fully fund specific public transportation support services in downtown Stockton.

Source: Grants Department



Attachment B
Cover Page



SAN JOAQUIN REGIONAL TRANSIT DISTRICT

**SINGLE AUDIT REPORT
WITH
INDEPENDENT AUDITOR'S REPORTS**

**FOR THE YEAR ENDED
JUNE 30, 2023**

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2023**

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REPORTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
San Joaquin Regional Transit District
Stockton, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the San Joaquin Regional Transit District (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Stockton, California
December 27, 2023

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

To the Board of Directors
San Joaquin Regional Transit District
Stockton, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited San Joaquin Regional Transit District's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We have issued our report thereon dated December 27, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Stockton, California
December 27, 2023

SCHEDULE

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

Federal Grantor/Office/Pass-Through Grantor/ Program or Cluster Title/Project Name	Assistance Listing Number	Pass-Through Entity Identifying Number or Direct Grant Number	Passed- Through To Subrecipients	Federal Expenditures
U.S. Department of Transportation				
Direct Programs				
Federal Transit Cluster				
Urbanized Area Formula Program (Section 5307)				
Security - FY20 5307	20.507	CA-2020-048	\$ -	\$ 57,377
Preventive Maintenance - FY21 5307	20.507	CA-2021-099	-	34,324
Preventive Maintenance - FY22 5307	20.507	CA-2022-094	-	2,207,123
Capital Cost of Contracting - FY22 5307	20.507	CA-2022-094	-	830,847
Grant Pending - Preventive Maintenance - FY23 5307	20.507	TBD	-	4,498,646
Rolling Stocks <40 RV (FY16-17 CMAQ Transfer	20.507	CA-2018-130	-	2,654,202
Solar Construction (FY21 CMAQ Transfer)	20.507	CA-2021-001	-	2,097,113
Rolling Stocks <40 RV (FY21 CMAQ Transfer)	20.507	CA-2021-001	-	4,754,357
Subtotal 20.507 - Formula Grants (Urbanized Area Formula Program)			-	17,133,989
Bus and Bus Facilities Formula Program (Bus Program) (Section 5339)				
Rehab/Rebuild Spare Parts (FY17-19 5339)	20.526	CA-2020-154	-	85,741
Subtotal 20.526 - Bus and Bus Facilities Formula Program (Bus Program)			-	85,741
Total 20.507 and 20.526 Federal Transit Cluster Direct Programs			-	17,219,730
Pass-Through Programs From State of California, Department of Transportation:				
Formula Grants for Rural Areas (Section 5311)				
COVID 19 Operating Assistance - CARES Act Phase I	20.509	64VO20-01101	-	10,684
COVID 19 Operating Assistance - CARES Act Phase II	20.509	64VO20-01340	-	708,523
Operating Assistance - FY22 5311	20.509	64BA22-02111	-	550,370
Subtotal 20.509 Formula Grants for Rural Areas (Section 5311)			-	1,269,577
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310)				
Operating Assistance - FY19 5310	20.513	64AO19-01226	-	249,529
COVID 19 Operating Assistance - 5310 CRRSSA	20.513	64SO21-01576	-	57,395
Subtotal 20.513 Transit Services Programs			-	306,924
Total 20.513 Transit Services Program Cluster Pass-Through Programs			-	306,924
Total Pass-Through Programs			-	1,576,501
Direct Programs				
Public Transportation Innovation Program (Section 5312)				
Research, Development, Demo/Deploy and Evaluation (FY19 5312)	20.530	CA-2020-150-01	-	98,269
Subtotal 20.530 - Public Transportation Innovation Program			-	98,269
Total 20.530 Public Transportation Innovation Direct Program			-	98,269
TOTAL CURRENT EXPENDITURES OF FEDERAL AWARDS			\$ -	\$ 18,894,500

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – REPORTING ENTITY

San Joaquin Regional Transit District (the District) receives federal awards directly from the U.S. Department of Transportation and awards passed through the State of California, Department of Transportation. The total amount of such awards is included on the Schedule of Expenditures of Federal Awards (SEFA).

NOTE 2 – BASIS OF PRESENTATION

The accompanying SEFA includes all federal grants and contracts of the District that had activity during the year ended June 30, 2023. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a selected portion of the operations of the District, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of the District. This schedule has been prepared on the accrual basis of accounting. Grants and contracts expenditures are recorded when the liability is incurred.

NOTE 3 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Total expenditure amounts reported in the accompanying SEFA agree with the total expenditure amounts reported in the related federal financial reports in all material respects. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 4 – INDIRECT COST RATE

The District uses the 10% de minimis indirect cost rate allowed under the Uniform Guidance, when applicable.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

1. Type of auditor's report issued: Unmodified
2. Internal control over financial reporting:
 - a. Material weakness identified? _____ Yes X No
 - b. Significant deficiencies identified
not considered to be material weaknesses? _____ Yes X No
3. Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

1. Internal control over major federal programs:
 - a. Material weakness identified? _____ Yes X No
 - b. Significant deficiencies identified
not considered to be material weaknesses? _____ Yes X No
2. Type of auditor's report issued on compliance
for major programs: Unmodified
3. Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance? _____ Yes X No

4. Identification of major programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.507/20.526	Federal Transit Cluster

5. Dollar threshold used to distinguish between Type A and
Type B programs: \$750,000
6. Auditee qualified as low-risk auditee under the Uniform
Guidance? X Yes _____ No

II. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings for the year ended June 30, 2023.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings and questioned costs noted for the year ended June 30, 2023.



Attachment C
Cover Page

To the Board of Directors
San Joaquin Regional Transit District
Stockton, California

We have audited the financial statements of the San Joaquin Regional Transit District (RTD) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 1, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by RTD are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2023. We noted no transactions entered into by RTD during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the RTD's financial statements were:

- *Estimate of Depreciation:* Management's estimate of depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful lives of assets as disclosed in Note 1 to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate in determining that it is reasonable in relation to the financial statements taken as a whole.
- *Self-Insurance Claims:* Management's estimate of the liability for public liabilities claims and workers' compensation claims to be paid for which the RTD is self-insured is disclosed in Note 9 to the financial statements, and includes management's estimate of the ultimate costs for both reported claims and claims incurred but not reported. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.
- *Estimated Net Pension Liability:* Management's estimate of the net pension liability is disclosed in Note 11 to the financial statements and is based on management's estimates. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.
- *Estimated Net Other Post-Employment Benefits (OPEB) Liability:* Management's estimate of the net OPEB liability is disclosed in Note 12 to the financial statements and is based on management's estimates. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosures for cash and cash equivalents in Note 2 to the financial statements were derived from the RTD's investment policy. Management's estimate of the fair value of investments is derived by various methods as detailed in Note 1.
- The disclosures for self-insurance claims in Note 9 to the financial statements were derived from the RTD's policy to accrued estimated liability for the self-insured portion of these claims. Management's estimate of the liability is estimated through an actuarial calculation using known pending claims and statistical analyses of historical claims data as detailed in Note 9.
- Additionally, the disclosures for the Defined Benefit Pension Plan in Note 11 and Other Post-Employment Benefits in Note 12 to the financial statements, which are based on actuarial valuations and involve estimates of the value of reported amounts and probabilities about the occurrence of future events far into the future.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not identify any misstatements as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 27, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the RTD's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the RTD's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Contributions to the Pension Plan, Schedule of Changes in the Net OPEB Liability and Related Ratios, and the Schedule of Contributions to the OPEB Plan, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the Introductory Section and Statistical Section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the members of the Board of Directors and management of the RTD and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Stockton, California
December 27, 2023



Attachment D
Cover Page



Results of SJRTD Financial Statement Audit for the Fiscal Year Ended June 30, 2023

Brown Armstrong

Accountancy Corporation

4200 Truxtun Avenue, Suite 300, Bakersfield, California 93309 | 661.324.4971 | Fax 661.324.4997

2423 W. March Lane, Suite 202, Stockton, California 95207

www.ba.cpa

Contacts: Ashley Green, CPA, Partner agreen@ba.cpa



**BROWN
ARMSTRONG**
CERTIFIED PUBLIC ACCOUNTANTS

January 5, 2024

The Board of Directors
San Joaquin Regional Transit District
Stockton, California

We are pleased to present to you the results of our audit of the San Joaquin Regional Transit District (SJRTD) audit reports for the fiscal year ended June 30, 2023.

We look forward to presenting the results of the audit and addressing your questions.

Sincerely,

Ashley Green, CPA, *Partner*

Brown Armstrong Accountancy Corporation

Agenda

- ▶ Audit Timeline/Critical Dates List
- ▶ Results of the Audit
 - Audit Opinion on Annual Comprehensive Financial Report
 - Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*
 - Single Audit in Accordance with Uniform Guidance
 - Required Communication to the Board of Retirement and Audit Committee in Accordance with Professional Standards (SAS 114)
- ▶ Financial Statement Review Process
- ▶ Thank Staff/Questions?

Audit Timeline/Critical Dates

- Audit Planning Information Request – June 15, 2023
- Interim Fieldwork remotely – July 10, 2023
 - Walkthroughs and Understanding of Key Accounting Areas
 - Testing of Internal Controls
 - Update Minutes and Agreements
- Final Fieldwork remotely – October 16, 2023
 - Substantiate all Accounts and Balances
 - Review Confirmation Responses
- Draft ACFR and Audit Reports – November/December 2023
- Audit Opinions Issued – December 27, 2023
- Reports presented to Finance and Audit Committee– January 5, 2024

Results of the Audit

Report	Summary of Opinion / Required Communication
Independent Auditors Report (Opinion)	<p>Framework</p> <ul style="list-style-type: none"> Financial Statements: <ul style="list-style-type: none"> U.S. Generally Accepted Accounting Principles Audit Standards: <ul style="list-style-type: none"> U.S. Generally Accepted Auditing Standards <i>Government Auditing Standards</i> <p>SJRTD's Basic Financial Statements fairly present, in all material respects:</p> <ul style="list-style-type: none"> Statements of Net Position Statements Revenues, Expenses, and Changes in Net Position Statements of Cash Flows Notes to the Basic Financial Statements <p>Unmodified (Clean) Opinion on the Basic Financial Statements</p>

Results of the Audit (Continued)

Report	Summary of Opinion / Required Communication
<p>Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i></p>	<ul style="list-style-type: none"> • No noncompliance noted • No material weaknesses, significant deficiencies, or control deficiencies identified
<p>Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance</p>	<ul style="list-style-type: none"> • Unmodified (Clean) Opinion • Total Federal Expenditures – \$18.9 million • Financial Statement Findings – None • Federal Award Findings and Questioned Costs – None • See results of Federal Awards on the next slide

Results of the Audit (Continued)

Federal Awards

1. Internal control over major federal programs:

a. Material weakness identified? ☐ Yes ☒ No

b. Significant deficiencies identified
not considered to be material weaknesses? ☐ Yes ☒ No

2. Type of auditor's report issued on compliance
for major programs:

Unmodified

3. Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance?

☐ Yes ☒ No

4. Identification of major programs:

Assistance Listing Numbers

Name of Federal Program or Cluster

20.507/20.526

Federal Transit Cluster

5. Dollar threshold used to distinguish between Type A and
Type B programs:

\$750,000

6. Auditee qualified as low-risk auditee under the Uniform
Guidance?

☒ Yes ☐ No

Results of the Audit (Continued)

Report	Summary of Required Communication
<p>Required Communication to the Board of Directors in Accordance with Professional Standards (SAS 114)</p>	<ul style="list-style-type: none"> • Auditor Responsibility in Relation to the Financial Statement Audit • Qualitative Aspects of Accounting Practices <ul style="list-style-type: none"> • No new GASB's applicable to SJRTD ACFR • Significant Accounting Estimates and Sensitive Financial Statement Disclosures <ul style="list-style-type: none"> • Depreciation • Self-Insurance claims • Net Pension Liability • Net OPEB Liability • Significant Difficulties Encountered in Performing the Audit – None • Corrected and Uncorrected Misstatements – None • Disagreements with Management – None • Other Audit Findings or Issues – None • Other Matters – Information in the ACFR containing Audited Basic Financial Statements

Financial Statement Review

- ▶ Review Process
 - Administrative Review
 - Engagement Team Review
 - GFOA Review
 - Quality Control Review

- ▶ Federal Audit Clearinghouse – Single Audit Submission

Thank Staff/Questions?



Ashley Green, CPA, Partner

📞 209-888-4751

✉️ agreen@ba.cpa

📍 2423 W. March Lane, Suite 202
Stockton, California 95207



Attachment E
Cover Page



MEMORANDUM

DATE: JANUARY 5, 2024

TO: BOARD OF DIRECTORS

FROM: FINANCE AND AUDIT COMMITTEE
CHAIR GARY GIOVANETTI
DIRECTOR MICHAEL RESTUCCIA


SUBJECT: FY 2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) AND FY 2023 SINGLE AUDIT

The Finance and Audit Committee met on Friday, January 5, 2024, to review the FY 2023 Annual Comprehensive Financial Report (ACFR) and the FY 2023 Single Audit Report.

The Finance and Audit Committee has reviewed the FY 2023 ACFR and FY 2023 Single Audit Report and endorses them for the Board for approval.


Chair Gary Giovanetti

1/5/24
Date


Director Michael Restuccia

1/5/2024
Date



Attachment F
Cover Page

RESOLUTION NO. _____
DATED: JANUARY 19, 2024

RESOLUTION APPROVING THE FY2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT
(ACFR) AND FY2023 SINGLE AUDIT REPORT

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the San Joaquin Regional Transit District that the FY2023 ACFR and FY2023 Single Audit Report, as submitted by Brown Armstrong Accountancy Corporation be, and hereby is, approved.



LEAD: GARY GIOVANETTI, CHAIRMAN OF THE BOARD

I. RECOMMENDED ACTION

For the San Joaquin Regional Transit District (RTD) Board to consider authorizing the upcoming Board member travel expenses.

II. SUMMARY

- RTD staff annually solicits the Board members interest in attending educational conferences and events.
- The full Board will consider expressions of interest received for travel from Board members for calendar year 2024.
- Upon authorization from the Board, staff will work with Board members to make necessary travel arrangements.

III. DISCUSSION/BACKGROUND

RTD acknowledges its responsibility to administer limited public resources prudently and to expend them only when there will be a substantial benefit to the agency and the community it serves.

RTD is an active member of local, state, and national associations representing transit's interests before the legislative and regulatory agencies at the local, state, and federal levels. Associations, including the California Association for Coordinated Transportation (CALACT), California Transit Association (CTA), and American Public Transportation Association (APTA), convene annual conferences providing educational sessions focusing on the public transit industry's current challenges, technology innovations, lessons learned, best practices, and networking for public transit professionals at all levels including Board members. The San Joaquin Council of Governments also convenes an annual advocacy program (One Voice) for San Joaquin County, promoting projects, programs, and issues of regional significance to federal legislators and agencies, typically through a yearly trip to Washington, D.C. The purpose of One Voice is to advocate for new or increased funding and new or amended legislation for issues and projects of regional significance to the San Joaquin region.

On an annual basis, RTD staff solicits Board members for expressions of interest in attending educational conferences. Staff has received several expressions of interest in conferences for the full Board to consider authorizing at this time. (See table on next page.)

TRAVEL EXPENSES

Board Member	APTA Legislative Conference April 7-9, 2024 Washington, DC	CALACT Spring Conference & Expo April 16-19, 2024 San Diego, CA	San Joaquin One Voice May 5-9, 2024 Washington, DC	CTA Spring Legislative Conference May 21, 2024 Sacramento, CA	APTA Transit Board Members & Transit Board Administrators Seminars July 13-16, 2024 San Jose, CA	APTA TRANSform Conference & Expo Sept. 29-Oct. 2, 2024 Anaheim, CA	CALACT Autumn Conference & Expo TBD	CTA Fall Conference & Expo November 20-22, 2024 San Jose, CA
Mike Restuccia								
Gary Giovanetti	X				X	X		
Les Fong			X		X	X		X
Balwinder Singh	X		X		X	X		
Stephen Castellanos	X			X	X	X		X
Estimated Cost Per Person	\$3,500	\$2,000	\$3,600	\$175	\$2,500	\$3,700	\$2,400	\$1,800
Actual Cost								
Gary Giovanetti								
Les Fong								
Balwinder Singh								
Stephen Castellanos								

Actual costs will be added to the table after each conference.

Pricing between Board member travel events may differ as a result of such factors as:

- Date the flights were finalized and booked
- Flights with connections versus direct flights
- Departing airports (SFO v. SMF)
- Mileage to and from departing airports (SFO v. SMF)
- Airport parking fees (SFO v. SMF)
- Traveling expenses to and from the airport
- Duration of the trip may vary

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priority 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. FINANCIAL CONSIDERATIONS/IMPACT

Estimated Board member travel expenses, including registration, are estimated at \$41,520. Expenses incurred in Fiscal Year 2024 have been budgeted in the fiscal year budget under account number 403000-50912 – Board Travel. Expenses incurred in FY 2025 will also be budgeted under account number 403000-50912 – Board Travel.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

The Board may choose not to approve travel requests at this time; however, doing so may delay staff in making arrangements and may risk cost increases due to lack of availability.

VIII. ATTACHMENTS

Attachment A: Resolution

Prepared by: Merab Talamantes, Project Controls Manager

IX. APPROVALS

Alex Clifford, CEO





Attachment A
Cover Page

RESOLUTION NO. ____
DATED: JANUARY 19, 2024

RESOLUTION APPROVING UPCOMING BOARD OF DIRECTOR'S TRAVEL EXPENSES

WHEREAS, the San Joaquin Regional Transit District (RTD) acknowledges its responsibility to administer limited public resources prudently and to expend them only when there will be a substantial benefit to the agency and the community it serves; and

WHEREAS, RTD staff annually solicits Board members for interest in attending educational conferences and events; and

WHEREAS, the full Board will consider expressions of interest received for travel from Board members; and

WHEREAS, upon authorization from the Board, staff will work with Board members to make necessary travel arrangements.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the RTD Board of Directors that the following travel requests and estimated expenses be and are hereby authorized.

Board Member	APTA Legislative Conference April 7-9, 2024 Washington, DC	San Joaquin One Voice May 5-9, 2024 Washington, DC	CTA Spring Legislative Conference May 21, 2024 Sacramento, CA	APTA Transit Board Members & Transit Board Administrators Seminars July 13-16, 2024 San Jose, CA	APTA TRANSform Conference & Expo Sept. 29-Oct. 2, 2024 Anaheim, CA	CTA Fall Conference & Expo November 20-22, 2024 San Jose, CA
Mike Restuccia						
Gary Giovanetti	X			X	X	
Les Fong		X		X	X	X
Balwinder Singh	X	X		X	X	
Stephen Castellanos	X		X	X	X	X
Estimated Cost Per Person	\$3,500	\$3,600	\$175	\$2,500	\$3,700	\$1,800



LEAD STAFF: ROBERT KYLE, CFO

I. RECOMMENDED ACTION:

Staff recommends, and endorsed by the Finance & Audit Committee, that the RTD Board of Directors approve RTD's Investment Policy as presented in Attachment A.

II. SUMMARY

- Staff feels it prudent to have a Board approved Investment Policy.
- Staff presented the Draft Investment Policy to the Finance & Audit Committee on Friday, January 5, 2024 for review, input and guidance. Committee members recommended multiple minor changes which staff made. The attached draft is the final draft.

III. DISCUSSION/BACKGROUND

The proposed draft will be RTD's first Investment Policy if approved by the Board. While not required by law, the California Debt and Investment Advisory Commission (CDIAC) recommends that agencies maintain a Board-approved investment policy. The Investment Policy establishes the procedures for RTD's investments and the safeguarding of its funds. Furthermore, CDIAC recommends that agencies review their investment policies annually and time the review to coincide with the end of the state legislative cycle so that the agency can consider any statutory changes that may impact the policy.

Pursuant to California Government Code section 53607, the Board may delegate the authority to invest and reinvest the RTD's funds and to sell or exchange securities so purchased for a one-year period. The delegation of authority may be renewed annually. To facilitate efficient investment of RTD's funds, staff recommends that the Board appoint the CEO, or their designee, as trustee for the purposes of placing investments pursuant to the Investment Policy.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This recommendation aligns with the Board's Strategic Priorities 3 and 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. FINANCIAL CONSIDERATIONS/IMPACT

N/A

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

Do nothing, which is not in the best interests of the agency.

VIII. ATTACHMENTS


Attachment A: Draft of RTD's Investment Policy

Attachment B: Resolution

Prepared by: Robert Kyle, CFO

IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page



BOARD APPROVED

JANUARY 19, 2024

INVESTMENT POLICY

POLICY NO. AP - 006

INVESTMENT POLICY

SAN JOAQUIN REGIONAL TRANSIT DISTRICT

Purpose

This statement of Investment Policy is intended to provide guidelines for the prudent investment of San Joaquin Regional Transit District's (RTD) funds, while meeting the daily cash demands, achieving a return on investments, and conforming to all statutes governing the investment of RTD funds.

Scope

This policy applies to all funds and investment activities under the direction of RTD Board of Directors.

Prudence

The standard of prudence to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio. All persons investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and anticipated needs of RTD, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of RTD.

Investments shall be made with the judgment and care which persons of prudence and discretion, not for speculation, but for investment, considering the safety of their capital as well as the probable income to be derived, and in accordance with the provisions of Government Code Section 53600 et seq. and Public Utilities Code Section 50205 et seq.

Objectives

Safety. Safety of principal is the foremost objective of the investment program. RTD's funds shall be invested in a manner that seeks to ensure preservation of capital.

Liquidity. RTD's investments will remain sufficiently liquid to enable RTD to meet its cash flow requirements.

Return on Investment. RTD's investments shall be designed with the objective of attaining a market rate of return consistent with the constraints imposed by its safety and liquidity objectives.

Delegation of Authority

The ultimate responsibility for investing, reinvesting, and purchasing investments resides with RTD's Board of Directors. Pursuant to California Government Code section 53607, the Board of Directors may delegate this authority to RTD's CEO, who shall

thereafter assume full responsibility for those transactions until the delegation of authority is renewed or reassigned with the understanding that such delegation must be renewed each year.

The authority to invest in or reinvest funds of RTD or to sell or exchange securities so purchased is hereby delegated to the CEO of RTD. The daily investment activities under the supervision of the CEO are undertaken by the CFO.

Investment of Funds

RTD may invest any surplus money in its treasury, including money in any sinking fund, in any of the following:

1. Treasury notes, certificates of indebtedness, bills, bonds of the United States, or any other evidence of indebtedness secured by the full faith and credit of the United States.
2. Obligations issued pursuant to the Federal Home Loan Bank Act or the National Housing Act.
3. Treasury notes or bonds of this State, or of any public corporation, municipal corporation, public district, or political subdivision within this State which are legal as security for the deposit of public funds.

Reporting Requirements

The CEO shall provide the Board of Directors a quarterly investment report, which shall include the information required by Government Code section 53646. This report will include beginning balance, quarterly transactions, ending balance, and average yield by fund type. The CEO will also provide a monthly report of any changes to RTD's investments.

This Policy should be reviewed annually.



Attachment B
Cover Page

RESOLUTION NO. _____
DATED: JANUARY 19TH, 2024

RESOLUTION APPROVING THE SAN JOAQUIN RTD INVESTMENT POLICY

WHEREAS, the California Debt and Investment Advisory Commission (CDIAC) recommends that local public agencies adopt a Board-approved investment policy to establish the agencies' investment goals and priorities; and

WHEREAS, consistent with CDIAC's recommendation, RTD staff prepared an Investment Policy that aligns with RTD's statutory authority and investment priorities; and

WHEREAS, pursuant to California Government Code section 53607, the Board may delegate the authority to invest and reinvest the RTD's funds and to sell or exchange securities so purchased; and

WHEREAS, staff recommends appointment of the CEO, or their designee, as trustee for the purposes of placing investments pursuant to the Investment Policy.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of RTD that the Board approves the Investment Policy as presented and appoints the CEO, or their designee, as trustee for the purposes of placing investments pursuant to the Investment Policy.



LEAD STAFF: **RAVI SHARMA, FINANCE MANAGER**

REPORT: **ACCEPT AND FILE: CHECK REGISTER FOR THE MONTH OF
DECEMBER 2023**

I. SUMMARY

- This staff report provides the Board of Directors (Board) with the Check Register for December 2023.
- The Finance Department is submitting the check register for Board acceptance and filing.

II. DISCUSSION/BACKGROUND

This check register provides the Board with a listing of the vendors and amounts paid out on a monthly cash flow basis (Operating and Capital expenses). All invoices submitted for December 2023 have been processed. The payments have been issued and signed by the Chief Executive Officer and Chief Financial Officer.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board's Strategic Priorities 3 and 4.
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

IV. FINANCIAL CONSIDERATIONS/IMPACT

The check register presents the invoices paid in December 2023 for Board review, agency disclosure, and transparency.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

None

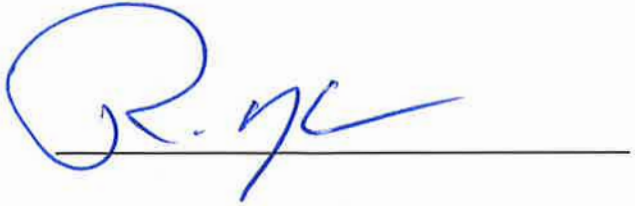
VII. ATTACHMENTS

Attachment A: Check Register for December 2023

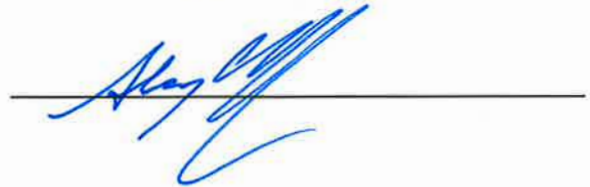
Prepared by: Ravi Sharma, Finance Manager

VIII. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

SAN JOAQUIN RTD
Consolidated Check Register
Date Range: 12/01/2023 to 12/31/2023

Check	Type	Payee ID.	Payee Name	Reference	Job	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP 00010051	EFT	V00433	AFLAC	001084-A	2735608	OH	12/01/2023	12/01/2023	MW	CX	755.96
AP 00010052	EFT	V05474	ATU LOCAL 256	PT DUES DEC23	4103412	OH	12/01/2023	12/01/2023	MW	CX	10,454.83
AP 00010053	EFT	V01181	CALIFORNIA PUBLIC EMPLOYEES'	1984844037DEC23	1367804	OH	12/01/2023	12/01/2023	MW	CX	315,710.86
AP 00010054	EFT	V00390	DELTA DENTAL OF CALIFORNIA	BE005801544	1367804	OH	12/01/2023	12/01/2023	MW	CX	20,467.97
AP 00010055	EFT	V01673	GREAT WEST TRUST COMPANY LLC	743880-	1367804	OH	12/01/2023	12/01/2023	MW	CX	2,213.45
AP 00010056	EFT	V00130	LIFESONG MINISTRIES INC	DEC2023	1367804	OH	12/01/2023	12/01/2023	MW	CX	225.00
AP 00010057	EFT	V01162	MINNESOTA LIFE	26072151-00	1367804	OH	12/01/2023	12/01/2023	MW	CX	4,631.15
AP 00010058	EFT	V00943	MUTUAL OF OMAHA INSURANCE CO	001608677111	1367804	OH	12/01/2023	12/01/2023	MW	CX	639.57
AP 00010059	EFT	V01204	NAVIA BENEFIT SOLUTIONS	FSA DEC0123	2735608	OH	12/01/2023	12/01/2023	MW	CX	2,003.74
AP 00010060	EFT	V01614	LP. ROTH STAFFING COMPANIES	16090725	5471216	OH	12/01/2023	12/01/2023	MW	CX	7,284.92
AP 00010061	EFT	V05271	US BANK	RETCONT	8206824	OH	12/01/2023	12/01/2023	MW	CX	200,327.35
AP 00010062	EFT	V01348	VISION SERVICE PLAN (CA)	819268750	1367804	OH	12/01/2023	12/01/2023	MW	CX	3,607.52
AP 00010063	EFT	V00111	PACIFIC GAS AND ELECTRIC	7782121081NOV23	1370216	OH	12/07/2023	12/07/2023	MW	CX	61,009.23
AP 00010064	EFT	V03295	A-Z BUS SALES INC	INVSAC13217	1370275	OH	12/07/2023	12/07/2023	MW	CX	45.38
AP 00010065	EFT	V01569	AGREEYA SOLUTIONS INC	252268	4110825	OH	12/07/2023	12/07/2023	MW	CX	9,003.35
AP 00010066	EFT	V01801	AMAZON.COM SERVICES LLC	8292263	10962200	OH	12/07/2023	12/07/2023	MW	CX	797.67
AP 00010067	EFT	V00528	BIG VALLEY FORD INC	606446FOW	5481100	OH	12/07/2023	12/07/2023	MW	CX	844.17
AP 00010068	EFT	V00387	BRANNON TIRE	20375990	2740550	OH	12/07/2023	12/07/2023	MW	CX	1,006.47
AP 00010069	EFT	V01416	Brown Armstrong Accountancy	272553	1370275	OH	12/07/2023	12/07/2023	MW	CX	9,337.50
AP 00010070	EFT	V04115	BUS AND EQUIPMENT REPAIR INC.	77340	2740550	OH	12/07/2023	12/07/2023	MW	CX	1,070.04
AP 00010071	EFT	V01766	CAL TRANSIT SYSTEMS JT POWER	57-2023-	1370275	OH	12/07/2023	12/07/2023	MW	CX	5,447.28
AP 00010072	EFT	V00132	CALIFORNIA WATER SERVICE	9332387932NOV23	1370275	OH	12/07/2023	12/07/2023	MW	CX	2,992.50
AP 00010073	EFT	V01753	CAPITALEdge ADVOCACY INC.	#23-151	1370275	OH	12/07/2023	12/07/2023	MW	CX	5,500.00
AP 00010074	EFT	V01313	CARACAL ENTERPRISES LLC	140873	4110825	OH	12/07/2023	12/07/2023	MW	CX	4,296.85
AP 00010075	EFT	V05459	CASTLE BRANCH INC.	0905887-IN	1370275	OH	12/07/2023	12/07/2023	MW	CX	45.70
AP 00010076	EFT	V00050	CHASE CHEVROLET	998408	10962200	OH	12/07/2023	12/07/2023	MW	CX	2,051.60
AP 00010077	EFT	V04049	CHRISTOPHER JOSE CUEVAS	2414	1370275	OH	12/07/2023	12/07/2023	MW	CX	387.50

User: RSHARMA - Ravi Sharma

Page: 1

Current Date: 01/09/2024

Report: BK_CON_CK_REG_JDC_EFT - BR: Consolidated Check Register With EFT

Time: 09:14:06

SAN JOAQUIN RTD
Consolidated Check Register
Date Range: 12/01/2023 to 12/31/2023

Check	Type	Payee ID.	Payee Name	Reference	Job	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP 00010078	EFT	E01946	ALEXANDER D CLIFFORD	REIMB111723CTA	1370275	OH	12/07/2023	12/07/2023	MW	CX	34.55
AP 00010079	EFT	V05215	DUNCAN PRESS INC	37599	1370275	OH	12/07/2023	12/07/2023	MW	CX	1,680.78
AP 00010080	EFT	V01564	EAM SOLUTIONS	13624	1370275	OH	12/07/2023	12/07/2023	MW	CX	71,500.00
AP 00010081	EFT	V00561	GENERAL PARTS DISTRIBUTION LLC	8306-749201	6851375	OH	12/07/2023	12/07/2023	MW	CX	687.57
AP 00010082	EFT	V01797	GENFARE LLC	90195830	1370275	OH	12/07/2023	12/07/2023	MW	CX	1,013.92
AP 00010083	EFT	V03216	GILLIG LLC	41114937	28775775	OH	12/07/2023	12/07/2023	MW	CX	15,898.52
AP 00010084	EFT	V00512	GOODYEAR TIRE AND RUBBER CO	9832803877	2740550	OH	12/07/2023	12/07/2023	MW	CX	20,239.08
AP 00010085	EFT	V01467	GRAINGER	9923745310	4110825	OH	12/07/2023	12/07/2023	MW	CX	337.17
AP 00010086	EFT	V01673	GREAT WEST TRUST COMPANY LLC	743880-01 DEC723	1370275	OH	12/07/2023	12/07/2023	MW	CX	3,700.23
AP 00010087	EFT	V01015	HARBOR SIGNS INC	428349	1370275	OH	12/07/2023	12/07/2023	MW	CX	130.80
AP 00010088	EFT	V00134	INTERSTATE TRUCK CENTER LLC	01P487185	2740550	OH	12/07/2023	12/07/2023	MW	CX	695.62
AP 00010089	EFT	V01216	JM EQUIPMENT COMPANY INC	V110079804	1370275	OH	12/07/2023	12/07/2023	MW	CX	649.40
AP 00010090	EFT	V01576	MEDICAL TRANSPORTATION	100022961	1370275	OH	12/07/2023	12/07/2023	MW	CX	10,802.69
AP 00010091	EFT	V00172	MISSION UNIFORM SERVICE	520535819	2740550	OH	12/07/2023	12/07/2023	MW	CX	1,872.35
AP 00010092	EFT	V05231	MODESTO JANITORIAL SUPPLY	588503	5481100	OH	12/07/2023	12/07/2023	MW	CX	4,484.53
AP 00010093	EFT	V00166	MUNCIE RECLAMATION SUPPLY	3586435	4110825	OH	12/07/2023	12/07/2023	MW	CX	1,658.88
AP 00010094	EFT	V01616	NFI PARTS	83221083	1370275	OH	12/07/2023	12/07/2023	MW	CX	528.90
AP 00010095	EFT	V03271	PARTS AUTHORITY METRO LLC	1607W7330	1370275	OH	12/07/2023	12/07/2023	MW	CX	651.39
AP 00010096	EFT	V01706	PINNACLE PETROLEUM INC	0323466	1370275	OH	12/07/2023	12/07/2023	MW	CX	21,618.67
AP 00010097	EFT	V00395	PITNEY BOWES	80009000114DEC2	1370275	OH	12/07/2023	12/07/2023	MW	CX	500.00
AP 00010098	EFT	V02474	PREVOST CAR (US) INC	902299689	9591925	OH	12/07/2023	12/07/2023	MW	CX	2,726.61
AP 00010099	EFT	V05391	PROTERRA INC	1068564	16443300	OH	12/07/2023	12/07/2023	MW	CX	13,005.67
AP 00010100	EFT	V03452	RAY L RIGHETTI	49856	9591925	OH	12/07/2023	12/07/2023	MW	CX	4,671.77
AP 00010101	EFT	V01599	RELATION INSURANCE SERVICES	3824936	1370275	OH	12/07/2023	12/07/2023	MW	CX	100.00
AP 00010102	EFT	V05184	REXEL USA INC	Y795870	2740550	OH	12/07/2023	12/07/2023	MW	CX	1,964.78
AP 00010103	EFT	V00398	ROBERT HALF INTERNATIONAL INC	62895251	12332475	OH	12/07/2023	12/07/2023	MW	CX	11,618.87
AP 00010104	EFT	V01444	ROSCO COLLISION AVOIDANCE INC	802360	2740550	OH	12/07/2023	12/07/2023	MW	CX	571.00

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Check	Type	Payee ID.	Payee Name	Reference	Job	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP 00010105	EFT	V01614	LP. ROTH STAFFING COMPANIES	16093247	1370275	OH	12/07/2023	12/07/2023	MW	CX	3,775.31
AP 00010106	EFT	V01679	SEDGWICK CLAIMS MANAGEMENT	SF2657202301403	1370275	OH	12/07/2023	12/07/2023	MW	CX	38,073.61
AP 00010107	EFT	V01415	SHAW YODER ANTWHI SCHMELZER	21874	1370275	OH	12/07/2023	12/07/2023	MW	CX	3,400.00
AP 00010108	EFT	V05452	SHERWIN-WILLIAMS CO.	4908-7	2740550	OH	12/07/2023	12/07/2023	MW	CX	258.10
AP 00010109	EFT	V05252	TEC OF CALIFORNIA INC	CM952669DX1-	5481100	OH	12/07/2023	12/07/2023	MW	CX	7,357.94
AP 00010110	EFT	V01869	TESCO	PA0208914	1370275	OH	12/07/2023	12/07/2023	MW	CX	163.44
AP 00010111	EFT	V00327	UBEO WEST LLC	4330192	2740550	OH	12/07/2023	12/07/2023	MW	CX	938.51
AP 00010112	EFT	V01921	ULINE INC	170378429	2740550	OH	12/07/2023	12/07/2023	MW	CX	2,202.51
AP 00010113	EFT	V01624	US AIR CONDITIONING	6442991	1370275	OH	12/07/2023	12/07/2023	MW	CX	467.48
AP 00010114	EFT	V05271	US BANK	RETCONT	2740550	OH	12/07/2023	12/07/2023	MW	CX	294.86
AP 00010115	EFT	V05000	VALLEY POWER SYSTEMS	I 93347	1370275	OH	12/07/2023	12/07/2023	MW	CX	3,153.71
AP 00010116	EFT	V01874	VAN DE POL ENTERPRISES	0357834-IN	2740550	OH	12/07/2023	12/07/2023	MW	CX	30,685.83
AP 00010117	EFT	V00312	VERIZON	9950035927	1370275	OH	12/07/2023	12/07/2023	MW	CX	1,035.40
AP 00010118	EFT	V01348	VISION SERVICE PLAN (CA)	819382600	1370275	OH	12/07/2023	12/07/2023	MW	CX	42.16
AP 00010119	EFT	V05221	WARD PROMOTIONAL MARKETING	68382	1370275	OH	12/07/2023	12/07/2023	MW	CX	439.30
AP 00010120	EFT	E01729	DULI CHAND	REIMB111323BOO	1370280	OH	12/07/2023	12/07/2023	MW	CX	291.71
AP 00010121	EFT	V00486	CREATIVE BUS SALES INC	ACCTHOLDRELEA	1370900	OH	12/12/2023	12/12/2023	MW	CX	5,000.00
AP 00010122	EFT	V00111	PACIFIC GAS AND ELECTRIC	30902286951DEC2	1372266	OH	12/14/2023	12/14/2023	MW	CX	192.76
AP 00010123	EFT	V03295	A-Z BUS SALES INC	INVSAC13824	5489104	OH	12/14/2023	12/14/2023	MW	CX	2,469.63
AP 00010124	EFT	V00433	AFLAC	224752-A	2744552	OH	12/14/2023	12/14/2023	MW	CX	793.88
AP 00010125	EFT	V01569	AGREEYA SOLUTIONS INC	253396	5489104	OH	12/14/2023	12/14/2023	MW	CX	8,644.90
AP 00010126	EFT	V01801	AMAZON.COM SERVICES LLC	6436253	2744552	OH	12/14/2023	12/14/2023	MW	CX	100.60
AP 00010127	EFT	V00125	AMERICAN REFRIGERATION	30697611	1372276	OH	12/14/2023	12/14/2023	MW	CX	467.14
AP 00010128	EFT	V03683	ANTONIO J. TRIGO	14770	1372276	OH	12/14/2023	12/14/2023	MW	CX	2,740.00
AP 00010129	EFT	V05474	ATU LOCAL 256	ASSESS DEC2023	1372276	OH	12/14/2023	12/14/2023	MW	CX	2,880.00
AP 00010130	EFT	V01731	AUTOZONE PARTS INC	2858415255	2744552	OH	12/14/2023	12/14/2023	MW	CX	261.27
AP 00010131	EFT	V00528	BIG VALLEY FORD INC	606952FOW	6861380	OH	12/14/2023	12/14/2023	MW	CX	4,698.59

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Check	Type	Payee ID.	Payee Name	Reference	Job	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP 00010132	EFT	V04115	BUS AND EQUIPMENT REPAIR INC.	77450	2744552	OH	12/14/2023	12/14/2023	MW	CX	340.29
AP 00010133	EFT	V05303	CAL- ENVIROSAFE. LLC	53041	1372276	OH	12/14/2023	12/14/2023	MW	CX	354.97
AP 00010134	EFT	V01191	CAMFIL USA INC	30427555	1372276	OH	12/14/2023	12/14/2023	MW	CX	2,100.84
AP 00010135	EFT	V00050	CHASE CHEVROLET	998921	1372276	OH	12/14/2023	12/14/2023	MW	CX	14.78
AP 00010136	EFT	V00486	CREATIVE BUS SALES INC	XA128015195:01	13722760	OH	12/14/2023	12/14/2023	MW	CX	4,588.35
AP 00010137	EFT	V00662	CUMULUS-MODESTO/STOCKTON	BB3896499	5489104	OH	12/14/2023	12/14/2023	MW	CX	3,300.00
AP 00010138	EFT	E00801	DARIO DOMINGUEZ	REIMB112123BOO	1372276	OH	12/14/2023	12/14/2023	MW	CX	459.40
AP 00010139	EFT	V01901	ELAVON INC	K3334100556	1372276	OH	12/14/2023	12/14/2023	MW	CX	74.99
AP 00010140	EFT	V000426	FASTENAL COMPANY	CAGO011835	1372276	OH	12/14/2023	12/14/2023	MW	CX	450.16
AP 00010141	EFT	V00561	GENERAL PARTS DISTRIBUTION LL	8306-749925	4116828	OH	12/14/2023	12/14/2023	MW	CX	1,272.27
AP 00010142	EFT	V01797	GENFARE LLC	90196563	4116828	OH	12/14/2023	12/14/2023	MW	CX	1,981.49
AP 00010143	EFT	V03216	GILLIG LLC	41117489	17839588	OH	12/14/2023	12/14/2023	MW	CX	7,213.57
AP 00010144	EFT	V01467	GRAINGER	9921258142	1372276	OH	12/14/2023	12/14/2023	MW	CX	185.39
AP 00010145	EFT	V01673	GREAT WEST TRUST COMPANY LL	743880-	1372276	OH	12/14/2023	12/14/2023	MW	CX	2,213.45
AP 00010146	EFT	V01015	HARBOR SIGNS INC	428354-M	1372276	OH	12/14/2023	12/14/2023	MW	CX	163.23
AP 00010147	EFT	V01645	KNOWBE4 INC	INV295850	2744552	OH	12/14/2023	12/14/2023	MW	CX	8,030.51
AP 00010148	EFT	V00573	LOOMIS ARMORED US LLC	13371241	4116828	OH	12/14/2023	12/14/2023	MW	CX	18,031.35
AP 00010149	EFT	V01199	MASABI LLC	SJTD-IN16	1372276	OH	12/14/2023	12/14/2023	MW	CX	3,380.00
AP 00010150	EFT	V01576	MEDICAL TRANSPORTATION	100024472	1372276	OH	12/14/2023	12/14/2023	MW	CX	32,993.46
AP 00010151	EFT	V00166	MUNCIE RECLAMATION SUPPLY	3589898	2744552	OH	12/14/2023	12/14/2023	MW	CX	365.21
AP 00010152	EFT	V01204	NAVIA BENEFIT SOLUTIONS	FSA DEC1523	2744552	OH	12/14/2023	12/14/2023	MW	CX	2,012.95
AP 00010153	EFT	V01616	NFI PARTS	83227183	6861380	OH	12/14/2023	12/14/2023	MW	CX	2,314.81
AP 00010154	EFT	V00741	PACIFIC STORAGE CO.	5186834	1372276	OH	12/14/2023	12/14/2023	MW	CX	215.04
AP 00010155	EFT	V03271	PARTS AUTHORITY METRO LLC	160Z0041	2744552	OH	12/14/2023	12/14/2023	MW	CX	2,018.77
AP 00010156	EFT	V01855	PLATINUM SECURITY INC.	58936	1372276	OH	12/14/2023	12/14/2023	MW	CX	89,935.34
AP 00010157	EFT	V02474	PREVOST CAR (US) INC	902302614	20584140	OH	12/14/2023	12/14/2023	MW	CX	4,156.49
AP 00010158	EFT	V05391	PROTERRA INC	1069172	2744552	OH	12/14/2023	12/14/2023	MW	CX	1,460.30

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Check	Type	Payee ID.	Payee Name	Reference	Job	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP 00010159	EFT	V03452	RAY L RIGHETTI	50088	1372276	OH	12/14/2023	12/14/2023	MW	CX	2,761.43
AP 00010160	EFT	V00469	RAYS RADIO SHOP INC	53013	4116828	OH	12/14/2023	12/14/2023	MW	CX	4,414.91
AP 00010161	EFT	V00252	REPUBLIC SERVICES INC	0208000805268	6861380	OH	12/14/2023	12/14/2023	MW	CX	3,244.96
AP 00010162	EFT	V00398	ROBERT HALF INTERNATIONAL INC	62926077	1372276	OH	12/14/2023	12/14/2023	MW	CX	1,361.53
AP 00010163	EFT	V01614	LP. ROTH STAFFING COMPANIES	16099108	6861380	OH	12/14/2023	12/14/2023	MW	CX	10,182.70
AP 00010164	EFT	E01502	MERAB TALAMANTES	CTAFALCONF111	1372276	OH	12/14/2023	12/14/2023	MW	CX	367.05
AP 00010165	EFT	V05252	TEC OF CALIFORNIA INC	953616D	10978208	OH	12/14/2023	12/14/2023	MW	CX	13,599.47
AP 00010166	EFT	V00327	UBEO WEST LLC	4342815	2744552	OH	12/14/2023	12/14/2023	MW	CX	512.48
AP 00010167	EFT	V05271	US BANK	RETCONTDEC152	10978208	OH	12/14/2023	12/14/2023	MW	CX	198,652.69
AP 00010168	EFT	V02988	ADVANCED ELECTRONICS	1778	2749296	OH	12/21/2023	12/21/2023	MW	CX	3,250.20
AP 00010169	EFT	V01801	AMAZON.COM SERVICES LLC	9107432	19245072	OH	12/21/2023	12/21/2023	MW	CX	1,517.88
AP 00010170	EFT	V00528	BIG VALLEY FORD INC	606932FOW	1374648	OH	12/21/2023	12/21/2023	MW	CX	1,227.78
AP 00010171	EFT	V00945	CALIFORNIA ASSOC FOR COORD	2024-283	1374648	OH	12/21/2023	12/21/2023	MW	CX	1,585.00
AP 00010172	EFT	V00472	CDW GOVERNMENT INC	NM69761	1374648	OH	12/21/2023	12/21/2023	MW	CX	7,100.00
AP 00010173	EFT	V00050	CHASE CHEVROLET	CM995633	52236624	OH	12/21/2023	12/21/2023	MW	CX	2,537.32
AP 00010174	EFT	V00390	DELTA DENTAL OF CALIFORNIA	BE005848557	1374648	OH	12/21/2023	12/21/2023	MW	CX	24,447.01
AP 00010175	EFT	V000426	FASTENAL COMPANY	CAGO11836	17870424	OH	12/21/2023	12/21/2023	MW	CX	12,319.05
AP 00010176	EFT	V00287	GANNETT FLEMING INC	0006070951	1374648	OH	12/21/2023	12/21/2023	MW	CX	754.36
AP 00010177	EFT	V00561	GENERAL PARTS DISTRIBUTION LL	6306-750336	1374648	OH	12/21/2023	12/21/2023	MW	CX	68.81
AP 00010178	EFT	V01797	GENFARE LLC	90196802	1374648	OH	12/21/2023	12/21/2023	MW	CX	696.29
AP 00010179	EFT	V03216	GILLIG LLC	41119722	9622536	OH	12/21/2023	12/21/2023	MW	CX	4,288.03
AP 00010180	EFT	V01467	GRAINGER	9933359508	4123944	OH	12/21/2023	12/21/2023	MW	CX	1,358.78
AP 00010181	EFT	V00419	HANSON BRIDGETT LLP	1364486-1364508	1374648	OH	12/21/2023	12/21/2023	MW	CX	97,850.26
AP 00010182	EFT	V00172	MISSION UNIFORM SERVICE	520640715	2749296	OH	12/21/2023	12/21/2023	MW	CX	405.46
AP 00010183	EFT	V05231	MODESTO JANITORIAL SUPPLY	588873	2749296	OH	12/21/2023	12/21/2023	MW	CX	3,106.77
AP 00010184	EFT	V00166	MUNCIE RECLAMATION SUPPLY	3591347	1374648	OH	12/21/2023	12/21/2023	MW	CX	153.56
AP 00010185	EFT	V00943	MUTUAL OF OMAHA INSURANCE CO	001620836279	1374648	OH	12/21/2023	12/21/2023	MW	CX	639.57

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Check	Type	Payee ID.	Payee Name	Reference	Job	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP 00010186	EFT	V01616	NFI PARTS	83230282	5498592	OH	12/21/2023	12/21/2023	MW	CX	8,653.90
AP 00010187	EFT	V02474	PREVOST CAR (US) INC	902161420	1374648	OH	12/21/2023	12/21/2023	MW	CX	477.26
AP 00010188	EFT	V05391	PROTERRA INC	1069076	8247888	OH	12/21/2023	12/21/2023	MW	CX	2,015.95
AP 00010189	EFT	V05184	REXEL USA INC	Y804150	1374648	OH	12/21/2023	12/21/2023	MW	CX	7,049.40
AP 00010190	EFT	V01614	LP. ROTH STAFFING COMPANIES	16100154	2749296	OH	12/21/2023	12/21/2023	MW	CX	3,989.24
AP 00010191	EFT	V01642	RYDETRANS INCORPORATED	RTD-1123	2749296	OH	12/21/2023	12/21/2023	MW	CX	362,403.65
AP 00010192	EFT	E01502	MERAB TALAMANTES	REIMB1223TUITIO	1374648	OH	12/21/2023	12/21/2023	MW	CX	1,395.00
AP 00010193	EFT	V01869	TESCO	PA0209768	1374648	OH	12/21/2023	12/21/2023	MW	CX	189.23
AP 00010194	EFT	V05449	THE BUS COALITION	10716	1374648	OH	12/21/2023	12/21/2023	MW	CX	7,500.00
AP 00010195	EFT	V00822	ThyssenKrupp Elevator Corp	3007615893	1374648	OH	12/21/2023	12/21/2023	MW	CX	585.00
AP 00010196	EFT	V01541	TOKAY PRESS INC	27521	1374648	OH	12/21/2023	12/21/2023	MW	CX	407.38
AP 00010197	EFT	V05271	US BANK	RETCONT121523B	2749296	OH	12/21/2023	12/21/2023	MW	CX	536.85
AP 00010198	EFT	V01874	VAN DE POL ENTERPRISES	0334619-IN1	1374648	OH	12/21/2023	12/21/2023	MW	CX	1,300.18
AP 00010199	EFT	V01286	VANNER INC	629882	2749296	OH	12/21/2023	12/21/2023	MW	CX	5,738.89
AP 00010200	EFT	V01315	ZEBRA	2024-67	1374648	OH	12/21/2023	12/21/2023	MW	CX	5,000.00
AP 00010201	EFT	V01801	AMAZON.COM SERVICES LLC	56612129105848-1	12389373	OH	12/28/2023	12/28/2023	MW	CX	1,243.78
AP 00010202	EFT	E01997	RICHARD F BALTZ JR Junior	REIMB112823TOO	1376597	OH	12/28/2023	12/28/2023	MW	CX	77.03
AP 00010203	EFT	V05358	BALWINDER TARLOK SINGH	BRDMTG102023	1376597	OH	12/28/2023	12/28/2023	MW	CX	347.37
AP 00010204	EFT	V00528	BIG VALLEY FORD INC	CM605999FOW	9636179	OH	12/28/2023	12/28/2023	MW	CX	601.98
AP 00010205	EFT	V00387	BRANNON TIRE	20379698	6882985	OH	12/28/2023	12/28/2023	MW	CX	119.75
AP 00010206	EFT	V04115	BUS AND EQUIPMENT REPAIR INC.	77486	1376597	OH	12/28/2023	12/28/2023	MW	CX	111.36
AP 00010207	EFT	V00132	CALIFORNIA WATER SERVICE	3472131955DEC23	1376597	OH	12/28/2023	12/28/2023	MW	CX	1,741.13
AP 00010208	EFT	V01313	CARACAL ENTERPRISES LLC	141547	4129791	OH	12/28/2023	12/28/2023	MW	CX	8,998.75
AP 00010209	EFT	V01719	STEPHAN CASTELLANOS	BRDMTG102023	1376597	OH	12/28/2023	12/28/2023	MW	CX	309.63
AP 00010210	EFT	V05313	CCT TELECOMMUNICATION INC	79132	1376597	OH	12/28/2023	12/28/2023	MW	CX	773.76
AP 00010211	EFT	V01615	CEN-CAL FIRE ALARM & SECURITY	12904	11012776	OH	12/28/2023	12/28/2023	MW	CX	690.00
AP 00010212	EFT	V00050	CHASE CHEVROLET	CM988760	8259582	OH	12/28/2023	12/28/2023	MW	CX	4,813.94

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Check	Type	Payee ID.	Payee Name	Reference	Job	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP 00010213	EFT	V01911	CISCO AIR SYSTEMS INC	257793-1	1376597	OH	12/28/2023	12/28/2023	MW	CX	1,772.40
AP 00010214	EFT	V01943	DODGE CONSTRUCTION NETWORK	40560286	1376597	OH	12/28/2023	12/28/2023	MW	CX	409.80
AP 00010215	EFT	V01176	EIP HOLDCO INC	305097	1376597	OH	12/28/2023	12/28/2023	MW	CX	6,781.88
AP 00010216	EFT	V000426	FASTENAL COMPANY	CAGO11879	8259582	OH	12/28/2023	12/28/2023	MW	CX	4,238.77
AP 00010217	EFT	E00943	GEORGE W FIFITA	REIMB120923BOO	2753194	OH	12/28/2023	12/28/2023	MW	CX	800.00
AP 00010218	EFT	E01188	MARIO A FRANCO	REIMB121123DMV	1376597	OH	12/28/2023	12/28/2023	MW	CX	53.00
AP 00010219	EFT	V02195	GARY S. GIOVANETTI	BRDMTG102023	1376597	OH	12/28/2023	12/28/2023	MW	CX	532.61
AP 00010220	EFT	V00561	GENERAL PARTS DISTRIBUTION LLC	CM8306-745376	12389373	OH	12/28/2023	12/28/2023	MW	CX	1,370.91
AP 00010221	EFT	V03216	GILLIG LLC	41120755	6882985	OH	12/28/2023	12/28/2023	MW	CX	4,566.12
AP 00010222	EFT	V00512	GOODYEAR TIRE AND RUBBER CO	9834012322	2753194	OH	12/28/2023	12/28/2023	MW	CX	20,107.10
AP 00010223	EFT	V01467	GRAINGER	9939683612	1376597	OH	12/28/2023	12/28/2023	MW	CX	1,242.60
AP 00010224	EFT	V05473	HERUM CRABTREE SUNTAG	110329	4129791	OH	12/28/2023	12/28/2023	MW	CX	9,020.72
AP 00010225	EFT	V00134	INTERSTATE TRUCK CENTER LLC	01P490082	4129791	OH	12/28/2023	12/28/2023	MW	CX	1,023.02
AP 00010226	EFT	V01135	LESLIE JAMES FONG	BRGMTG102023	1376597	OH	12/28/2023	12/28/2023	MW	CX	324.96
AP 00010227	EFT	E01715	PONGSAY TOM LIEMVONGSA	REIMB121823BOO	1376597	OH	12/28/2023	12/28/2023	MW	CX	196.19
AP 00010228	EFT	E01110	CHRISTOPHER W MELTON	REIMB120323TOO	2753194	OH	12/28/2023	12/28/2023	MW	CX	358.44
AP 00010229	EFT	V00997	MICHAEL RESTUCCIA	BRDMTG102023	1376597	OH	12/28/2023	12/28/2023	MW	CX	355.94
AP 00010230	EFT	V00172	MISSION UNIFORM SERVICE	520682355	2753194	OH	12/28/2023	12/28/2023	MW	CX	481.52
AP 00010231	EFT	V05231	MODESTO JANITORIAL SUPPLY	589349	1376597	OH	12/28/2023	12/28/2023	MW	CX	1,509.54
AP 00010232	EFT	V00166	MUNCIE RECLAMATION SUPPLY	3562760	1376597	OH	12/28/2023	12/28/2023	MW	CX	3,077.48
AP 00010233	EFT	V01736	NEXT LEVEL PARTS INC	CM15889-32087	6882985	OH	12/28/2023	12/28/2023	MW	CX	3,722.75
AP 00010234	EFT	V01616	NFI PARTS	83237356	6882985	OH	12/28/2023	12/28/2023	MW	CX	1,619.38
AP 00010235	EFT	E01654	LAURA ELENA ORTIZ	REIMB120523TOO	1376597	OH	12/28/2023	12/28/2023	MW	CX	141.93
AP 00010236	EFT	V03271	PARTS AUTHORITY METRO LLC	16PB2741	4129791	OH	12/28/2023	12/28/2023	MW	CX	1,105.75
AP 00010237	EFT	V01706	PINNACLE PETROLEUM INC	0324542	1376597	OH	12/28/2023	12/28/2023	MW	CX	20,447.37
AP 00010238	EFT	V05391	PROTERRA INC	1069547	5506388	OH	12/28/2023	12/28/2023	MW	CX	15,455.37
AP 00010239	EFT	V03452	RAY L RIGHETTI	50599C	2753194	OH	12/28/2023	12/28/2023	MW	CX	2,748.62

User: RSHARMA - Ravi Sharma

Page: 7

Current Date: 01/09/2024

Report: BK_CON_CK_REG_JDC_EFT - BR: Consolidated Check Register With EFT

Time: 09:14:06

SAN JOAQUIN RTD
Consolidated Check Register
Date Range: 12/01/2023 to 12/31/2023

Check	Type	Payee ID.	Payee Name	Reference	Job	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP 00010240	EFT	V00398	ROBERT HALF INTERNATIONAL INC	62985190	1376597	OH	12/28/2023	12/28/2023	MW	CX	695.35
AP 00010241	EFT	V01614	LP. ROTH STAFFING COMPANIES	16101793	1376597	OH	12/28/2023	12/28/2023	MW	CX	3,764.06
AP 00010242	EFT	V01581	SIRIUS COMPUTER SOLUTIONS INC	23120332	1376597	OH	12/28/2023	12/28/2023	MW	CX	4,224.99
AP 00010243	EFT	V01680	STORM WATER INSPECTION &	70390	1376597	OH	12/28/2023	12/28/2023	MW	CX	1,905.00
AP 00010244	EFT	V05252	TEC OF CALIFORNIA INC	954018D	11012776	OH	12/28/2023	12/28/2023	MW	CX	8,310.90
AP 00010245	EFT	V01326	TENNANT SALES & SERVICE CO	920090887	1376597	OH	12/28/2023	12/28/2023	MW	CX	466.97
AP 00010246	EFT	V01869	TESCO	PA0210012	1376597	OH	12/28/2023	12/28/2023	MW	CX	86.98
AP 00010247	EFT	V01949	THE W W WILLIAMS COMPANY LLC	023P23280	1376597	OH	12/28/2023	12/28/2023	MW	CX	71.02
AP 00010248	EFT	V00822	ThyssenKrupp Elevator Corp	3007582641	1376597	OH	12/28/2023	12/28/2023	MW	CX	585.00
AP 00010249	EFT	E00770	GERARDO TOVAR	REIMB121223DMV	1376597	OH	12/28/2023	12/28/2023	MW	CX	54.12
AP 00010250	EFT	V01286	VANNER INC	630039	1376597	OH	12/28/2023	12/28/2023	MW	CX	3,335.32
AP 00010251	EFT	V05438	ZETTA LLC	INV00081214	1376597	OH	12/28/2023	12/28/2023	MW	CX	1,265.76
AP 00150439	** BREAK **										
AP 00150440	CHK	V00837	CA STATE DISBURSEMENT UNIT	836613DEC123	15045844	OH	12/01/2023		MW	IS	1,616.73
AP 00150441	CHK	V00214	CALVARY FIRST ASSEMBLY OF GOD	DEC2023	1367804	OH	12/01/2023		MW	IS	231.75
AP 00150442	CHK	E01994	MARIO A CRUZ	REIMB063023UNI	1367804	OH	12/01/2023		MW	IS	86.59
AP 00150443	CHK	V00944	DEPARTMENT OF INDUSTRIAL	E 2006724 SA	1367804	OH	12/01/2023		MW	IS	225.00
AP 00150444	CHK	V00286	FRANCHISE TAX BOARD	565797083DEC123	8206824	OH	12/01/2023		MW	IS	870.14
AP 00150445	CHK	E02281	JOHN ADAM HODSON	REIMB062223MILE	1367804	OH	12/01/2023		MW	IS	119.34
AP 00150446	CHK	E01864	LEON HOLOMON III SUFFIX MEDIUM	REIMB080122VTT	1367804	OH	12/01/2023		MW	IS	10.00
AP 00150447	CHK	E02018	TOMMY DUNG XUAN NGUYEN	REIMB052123BOO	1367804	OH	12/01/2023		MW	IS	163.43
AP 00150448	CHK	V00332	SAN JOAQUIN DEPT OF CHILD SUPP	214574DEC123	1367804	OH	12/01/2023		MW	IS	363.69
AP 00150449	CHK	V00183	SHERIFFS CIVIL DIVISION	2023001285DEC12	2735608	OH	12/01/2023		MW	IS	833.65
AP 00150450	CHK	V00106	SAN JOAQUIN COUNTY	2023-24-06	1370275	OH	12/07/2023		MW	IS	3,564.00
AP 00150451	CHK	V01944			1370608	OH	12/11/2023		MW	IS	7,500.00
AP 00150452	CHK	V05475	ATU LOCAL 256 COPE	COPE DEC2023	1372276	OH	12/14/2023		MW	IS	73.50
AP 00150453	CHK	V00837	CA STATE DISBURSEMENT UNIT	836613DEC1523	13722760	OH	12/14/2023		MW	IS	1,579.81

SAN JOAQUIN RTD
Consolidated Check Register
Date Range: 12/01/2023 to 12/31/2023

Check	Type	Payee ID.	Payee Name	Reference	Job	Subs	Check Date	Cancel Date	Type	Status	Check Amount
AP 00150454	CHK	V00286	FRANCHISE TAX BOARD	626017899DEC152	9605932	OH	12/14/2023		MW	IS	1,248.50
AP 00150455	CHK	V05163	MAGNETIC TICKET & LABEL CORP	575857	1372276	OH	12/14/2023		MW	IS	4,356.60
AP 00150456	CHK	V00332	SAN JOAQUIN DEPT OF CHILD SUPR	214574DEC1523	1372276	OH	12/14/2023		MW	IS	363.69
AP 00150457	CHK	V00183	SHERIFFS CIVIL DIVISION	2023001285DC152	2744552	OH	12/14/2023		MW	IS	833.65
AP 00150458	CHK	E01785	STEPHANIE JUANITA WIMAN	REIMB91123DMVL	1372276	OH	12/14/2023		MW	IS	63.00
AP 00150459	CHK	E02339	CURTIS MOSES	CALTIP112923MT	1374648	OH	12/21/2023		MW	IS	310.37
AP 00150460	CHK	E01579	EDITH RAMIREZ	PETTYCASH12182	1374648	OH	12/21/2023		MW	IS	249.54
AP 00150461	CHK	V00961	SAN JOAQUIN COUNTY MOSQUITO PERMIT #65560		5498592	OH	12/21/2023		MW	IS	350.88
AP 00150462	CHK	V00559	SAN JOAQUIN VALLEY AIR	N160938	1374648	OH	12/21/2023		MW	IS	900.00
AP 00150463	CHK	V05252	TEC OF CALIFORNIA INC	953783D	1374648	OH	12/21/2023		MW	IS	211.02
AP 00150464	CHK	V01426	CONNEXIONZ LTD	SINV000609	1376597	OH	12/28/2023		MW	IS	22,300.00
AP 00150465	CHK	V01626	FRUIT GROWERS LABORATORY INC	356056A	2753194	OH	12/28/2023		MW	IS	264.00
AP 00150466	CHK	E01595	JOCELYN RAMOS OAMILDA	PETTYCASH11012	1376597	OH	12/28/2023		MW	IS	194.92

SORTED TOTALS

Machine Written	<u>2,178,544.56</u>
AP Group Total	<u>2,178,544.56</u>

GRAND TOTAL

Grand Total	<u>2,178,544.56</u>
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LEAD STAFF: CIRO AGUIRRE, CHIEF OPERATING OFFICER

I. RECOMMENDED ACTION

That the San Joaquin Regional Transit District (RTD) Board of Directors authorizes the CEO to execute the Memorandum of Understanding (MOU) with Amalgamated Transit Union (ATU) Local 256 to provide contracted transportation services for the period April 16, 2024, through April 15, 2029.

II. SUMMARY

- San Joaquin Regional Transit District (RTD) Contracted Transportation Services, sometimes referred to as "County Services," consists of Van Go! Hopper and Commuter service, along with maintenance and support services.
- RTD's enabling legislation requires RTD to competitively bid out these services at least once every five (5) years and RTD is permitted to bid on the services.
- On September 27, 2023, RTD issued an Invitation for Bid (IFB) for Contracted Transportation Services and RTD was the sole bidder.
- Staff recommends that the RTD Board of Directors (Board) authorize the CEO to execute an MOU with ATU Local 256 for a five (5) year period, through April 15, 2029, as detailed in Exhibits A and B attached.

III. DISCUSSION/BACKGROUND

RTD's enabling legislation provides that "[a]ll new intercity, interregional, and rural services provided outside the Stockton Metropolitan Area shall be subject to open competitive bidding at least once every five years. For the bidding, the district may be one of the bidders . . . The district shall cause notice inviting bids to be published at least once in a newspaper of general circulation within San Joaquin County, which publications shall be made at least 10 days before bids are to be received. The contract for services shall be let to the lowest responsible bidder. The Board may reject any and all bids and may readvertise in its discretion."

On January 12, 2018, the RTD Board approved a five-year contract with National Express Transit Services Corporation (NEXT) to provide Contracted Transportation Services.

Although the contract was to expire on April 28, 2023, in April 2021, approximately three (3) years and three (3) months after being awarded, the

parties terminated the contract for convenience due to performance and other issues related to the COVID-19 pandemic.

In order to ensure uninterrupted service, on April 16, 2021, the Board approved an MOU with ATU Local 256 to allow RTD to operate the County Services using a modified pay structure through April 15, 2024. RTD estimated the annual cost to operate the service at \$7,000,000 per year (marginal costing).

In March of 2023, RTD initiated a review and update of the prior scope of work for the Contracted Transportation Services solicitation. Modifications were included to reflect current RTD standards and expectations for efficient, effective, and dependable service delivery.

RTD issued the IFB for Contracted Transportation Services on September 27, 2023, and it remained open for bids through December 28, 2023.

RTD submitted the sole bid for the Contracted Transportation Services in the amount of \$62,756,099 (fully allocated costing). The services will be provided pursuant to a five (5) year MOU with ATU Local 256, that provides similar language (with minor amendments) to the MOU originally agreed to in 2021.

While twenty-one individuals and entities reviewed the IFB, only RTD submitted a bid. Following consultation with Legal Counsel, RTD Procurement staff conducted a survey of several prospective bidders to determine their reasons for not submitting a bid. Respondents shared their concerns that the low bid process that RTD is legally required to follow does not allow an opportunity to negotiate the terms of the contract. Generally speaking, most transit agencies that contract for transit services are permitted to accept negotiated proposals and so it is likely that prospective bidders were unfamiliar with the low bid process and may have found it to be restrictive. Additionally, respondents noted other viable opportunities in the marketplace, and also expressed concerns with operator staffing issues.

While legal requirements limit RTD's ability to change its solicitation process, staff intends to incorporate additional steps into the next procurement for these services to give prospective bidders the opportunity to raise concerns regarding any contractual terms. This can be accomplished through pre-bid meetings and a robust question and answer period.

Procurement staff and legal counsel concur with the recommendation to authorize the CEO to execute an MOU with ATU Local 256 through April 15, 2029, for Contracted Transportation Services, for a total contract amount not to exceed \$62,756,099.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with the Board's Strategic Priorities 1, 2, 3, 4, and 5.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. FINANCIAL CONSIDERATIONS/IMPACT

This is a 5-year MOU with a not-to-exceed amount of \$62,756,099. This will be budgeted across eight (8) different accounts over the next five (5) years as follows:

- Year 1) 04/01/2024 – 03/31/2025, \$11,821,820
- Year 2) 04/01/2025 – 03/31/2026, \$12,176,468
- Year 3) 04/01/2026 – 03/31/2027, \$12,540,533
- Year 4) 04/01/2027 – 03/31/2028, \$12,915,520
- Year 5) 04/01/2028 – 03/31/2029, \$13,301,757

The required funding in the amount of \$11,821,820 for the initial portion of the project is included in the FY24 current fiscal year's Transportation Operating budget 411000 within 311000, 311001, 311005, & 311006 Transportation County accounts and 336000, 336002, 336008, & 336009 Countywide accounts. Since this is a multi-year MOU, the respective department manager(s) will be accountable for budgeting the cost in future years.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

- No alternative. This action is needed to continue providing uninterrupted Contracted Transportation Services.
- The Board could direct staff to re-issue the IFB, attempting to obtain additional bids.

VIII. ATTACHMENTS

Attachment A: Amalgamated Transit Union 256 MOU
Attachment B: Resolution

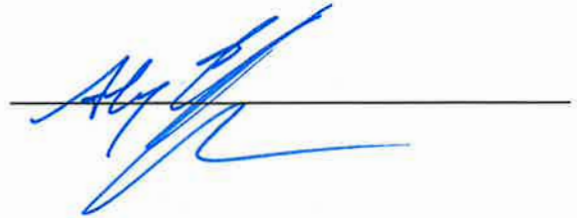
Prepared by: Ciro Aguirre, Chief Operating Officer
 Sylvester Donelson, Jr., Director of Procurement

IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

**MEMORANDUM OF UNDERSTANDING
AMALGAMATED TRANSIT UNION LOCAL – 256, AFL-CIO
PROVIDED TO THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT
FOR COUNTY TRANSPORTATION SERVICES
November 30, 2023**

The Amalgamated Transit Union Local – 256 (Union) represents the San Joaquin Regional Transit District's (District) Operator and Maintenance employees. The Union has been providing labor resources in connection with the District's transit services at the County Transit Center (CTC) Division since April, 16, 2021.

The agreement for Transit Services provided to the District at the CTC by the Union will end April 15, 2024, and the Union is submitting this updated MOU in the event RTD is successful in continuing to provide these services at the CTC.

The Union agrees that all conditions established under the MEMORANDUM OF UNDERSTANDING dated November 30, 2023, between the Union and the District will continue to be in effect for a five (5) year term and accepted as written if transportation services are successfully retained by RTD at the CTC. Other than the stipulations of the existing MOU, other provisions of the Collective Bargaining Agreement (CBA), not in conflict with this understanding shall apply.

Detailed conditions of the proposal are found in Exhibit A, B, and C.

UNION:

AMALGAMATED TRANSIT UNION,
LOCAL 256, AFL-CIO

By 

Crystal McGee-Lee President/Business Agent

Date Dec 1st 2023

DISTRICT:

SAN JOAQUIN REGIONAL TRANSIT
DISTRICT

By _____
Alex Clifford, CEO

Date _____

AMALGAMATED TRANSIT UNION LOCAL 256

EXHIBIT A

This proposal is being submitted with the following stipulations that make up the existing conditions the Union and District agreed to in the MOU entered April 16, 2021, but is inclusive of additional changes agreed to during the term of the agreement that now make up the entire agreement the Union is agreeing to propose. The proposal includes all Maintenance mechanics, utilities, porters, storekeepers and transportation (operators) employees of the District whose job assignments are in furtherance of the services currently provided that include County Service, County Hopper and Fixed Route Hopper - Deviated Service, and Van Go! On Demand (a pilot program).

1. All work pursuant to this proposal will be assigned through the bidding process by seniority within job classification, from a pool of new employees hired by the District specifically under this proposal. The bidding shall include vacations and extra boards.
2. Operator crossover work: In order to meet the daily service requirements for County and Metro, the District may assign operators for the alternative service only after overtime lists have been exhausted following the provisions in the Collective Bargaining Agreement (CBA). Extra board operators or volunteers (in that priority) will be selected in the order of seniority. There will be no rate of pay change if assigned to the alternative service.
3. Mechanics will be tested by the District prior to the designation of A, B, or C for the purpose of rate pay and duties.
4. No trade work will be allowed between the operators of the Metro or County service.
5. Van Go! Operators:
 - a. Van Go! Is a pilot program and service may be increased, reduced, or curtailed at RTD's discretion.
 - b. Van Go! Operators are not required to possess a Class B license.
 - c. Van Go! Operators may only be assigned work to Van Go! Service.
 - d. Van Go! Service is On-Demand; therefore, no minimum runs are established.
 - e. The District has the option to hire full or part-time Van Go! Operators.

6. Any employee hired to work under this proposal and to provide the services described herein shall receive the wages and benefits set forth in Exhibit B, attached hereto and incorporated herein.
7. In the establishment of runs for County Service, a minimum shall be 25% straights/multi-straights and 15% split runs with less than 11- hour spreads. Multi-straight is defined as two pieces of work with break of less than one hour (paid time).
8. Consistent with the CBA Section 37 (b), the maximum number of part-time Operators for County service shall not exceed fifteen percent (15%).
9. Other than the stipulations of this proposal, other provisions of the CBA, not in conflict with this proposal shall apply.

AMALGAMATED TRANSIT UNION LOCAL 256

EXHIBIT B

Schedule of Wages

		Effective 7/1/2023	Effective 7/1/2024	Effective 7/1/2025
Intercity, Hopper, Commuter Operators				
Probation	65% of Top Metro Operator Rate	\$ 19.75	\$ 20.34	\$ 20.95
1st 2,080 worked	75% of Top Metro Operator Rate	\$ 22.79	\$ 23.47	\$ 24.17
Thereafter	85 % of Top Metro Operator Rate (Top County Operator Rate)	\$ 25.82	\$ 26.60	\$ 27.40
Van Go! Operators!				
Probation	55% of Top Metro Operator Rate	\$ 16.71	\$ 17.21	\$ 17.73
1st 2,080 worked	60% of Top Metro Operator Rate	\$ 18.23	\$ 18.77	\$ 19.34
Thereafter	65 % of Top Metro Operator Rate (Top Van Go! Operator Rate)	\$ 19.75	\$ 20.34	\$ 20.95
Utilities/Porters				
	86.94% of Top Metro Operator Rate	\$ 26.41	\$ 27.20	\$ 28.02
1st 2,080 worked	90% of 86.94% of Top Metro Operator Pay	\$ 23.77	\$ 24.48	\$ 25.22
Thereafter	100% of 86.94% of Top Metro Operator Rate	\$ 26.41	\$ 27.20	\$ 28.02
Storekeepers				
	92.43% of Top Metro Operator Pay	\$ 28.08	\$ 28.92	\$ 29.79
1st 2,080 worked	90% of 92.43% of Top Metro Operator Pay	\$ 25.27	\$ 26.03	\$ 26.81
Thereafter	100% of 92.43% of Top Metro Operator Pay	\$ 28.08	\$ 28.92	\$ 29.79
Mechanics				
Mechanic A	118.67% of Top Metro Operator Pay	\$ 36.05	\$ 37.13	\$ 38.25
Mechanic B	108.34% of Top Metro Operator Pay	\$ 32.91	\$ 33.90	\$ 34.92
Mechanic C	94.43% of Top Metro Operator Pay	\$ 28.69	\$ 29.55	\$ 30.43
Electronic Technicians				
Electronic Technician A	118.67% of Top Metro Operator Pay	\$ 36.05	\$ 37.13	\$ 38.25
Electronic Technician B	108.34% of Top Metro Operator Pay	\$ 32.91	\$ 33.90	\$ 34.92
Electronic Technician C	94.43% of Top Metro Operator Pay	\$ 28.69	\$ 29.55	\$ 30.43

Schedule of Wages

Benefits

Retirement Plan	SJRTD 401 (a) Retirement Savings Plan
Tools/Boots/Uniform Reimbursement	Same as CBA
Medical Benefits	Same as CBA

AMALGAMATED TRANSIT UNION LOCAL 256

EXHIBIT C

Maintenance Bid – A general sign-up to take effect on the first Sunday of January and July of each year.

Operator and Maintenance Seniority List (Separate from Metro Seniority List)

1 (one) combined master seniority list will be maintained specific to this proposal

1 (one) sign-up will be maintained specific to this proposal

Operator Bids (Separate from the Metro Seniority List)

One general sign-up each year to take effect each January, June, and August – County operators will pick in master seniority list order the division and assignment they choose. This bid will take place at the County Transportation Center (CTC) or the Regional Transportation Center (RTC) for this proposal.

There will be a onetime general bid to take effect in June 2021 for the implementation of the proposal.

Employee Based Operator:

- Employee-based operator is a volunteer who works for the employer; if there are multiple volunteers, the position is selected based on seniority; and
- Limited to one during any time; and
- Employee-based operator does not drive other routes; and
- The District will provide training in accordance with the District Standards; and
- Employee-based operator is paid by the hour (approximately 3 hour/day), during the drive time from the County yard to the employer premises, back to the County yard; and
- Hourly rate of pay is the same as top County operator pay; and
- This position is part-time; and
- This position must be part of the union.

Vacation Bid

At the general sign-up annual vacations will be selected in seniority order under this proposal.

Training

All operators will be properly trained on any equipment they are required to operate as a result of reassignment.

Transfers

Any employee under this proposal may apply for any vacant union position (outside of the Proposal) at the Metro Operations of the District. Hiring of qualified employees will be Based on County seniority. If the employee is hired for such a position, the employee will immediately transition to be under the existing CBA at time of hire, including immediate transition to RTD's Defined Benefit Plan. For purposes of seniority and vesting in the Plan, the employee will begin as a new employee.

The employee's contributions to the SJRTD 401(a) Retirement Savings Plan, including the District's match if the employee is fully vested, will remain in the SJRTD 401 (a) Retirement Savings Plan until the employee rolls it over to a personal retirement account. The employee's active participation to the SJRTD 401 (a) Retirement Savings Plan will automatically terminate, including earning employment credited years of service for purpose of vesting into the SJRTD 401 (a) Retirement Savings Plan.

An employee who is hired under this proposal from the District's Metro Operations will immediately be a part of the SJRTD 401 (a) Retirement Savings Plan. Such operator will cease to accrue years of service credit under the Defined Benefit Plan and any benefit earned under the Defined Benefit Plan will stay and freeze.



Attachment B
Cover Page

RESOLUTION NO. _____
DATED: JANUARY 19, 2024

RESOLUTION AUTHORIZING THE CEO TO EXECUTE THE MEMORANDUM OF
UNDERSTANDING (MOU) WITH AMALGAMATED TRANSIT UNION (ATU) LOCAL 256
FOR CONTRACTED TRANSPORTATION SERVICES FOR THE PERIOD APRIL 16, 2024
THROUGH APRIL 15, 2029

WHEREAS, San Joaquin Regional Transit District (RTD) provides new, intercity, interregional, and rural services provided outside the Stockton Metropolitan Area in accordance with California Public Utility Code Section 50075.5 and shall be subject to open competitive bidding at least once every five years; and

WHEREAS, RTD issued its Invitation for Bid (IFB) for Contracted Transportation Services dated September 27, 2023; and

WHEREAS, RTD consulted with Legal Counsel to develop the IFB, with the Director of Procurement acting in support, to ensure a fair process and avoid any conflict of interest; and

WHEREAS, on December 18, 2023, one bid was received for a total amount not to exceed \$62,756,099.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the San Joaquin RTD that the CEO be, and hereby is, authorized and directed to finalize and execute an MOU with ATU Local 256 for Contracted Transportation Services through April 15, 2029, with provisions that are different from the current Contract Bargaining Agreement.