



Marin County Transit District Board of Directors

Monday, December 4, 2023, 10 a.m.

Marin County Civic Center

Board of Supervisors' Chambers
3501 Civic Center Drive, Room 330
San Rafael, CA 94903

Join via Zoom or Teleconference:

<https://www.zoom.us/j/87972683373>

+1 669 900 6833

Webinar ID / Access Code: 879 7268 3373

Providing Public Comment

- To provide written public comment prior to the meeting, email info@marintransit.org or use the comment form at www.marintransit.org/meetings. Submit your comments no later than **5:00 P.M. Sunday, December 3, 2023** to facilitate timely distribution to the Board of Directors. Include the agenda item number you are addressing, your name, and address. Your comments will be forwarded to the Board of Directors and will be included in the written public record.
- Public comment is limited to two minutes per speaker unless a different time limit is announced. The Board President may limit the length of comments during public meetings due to the number of persons wishing to speak or if comments become repetitious.
- Participating on Zoom or teleconference: Ensure that you are in a quiet environment with no background noise. To raise your hand on Zoom press *9 and wait to be called upon by the President or the Clerk to speak. You will be notified that your device has been unmuted when it is your turn to speak. You will be warned prior to your allotted time being over. Your comments will be included in the public record.

General Meeting Information

- Late agenda material can be inspected at the office of Marin Transit, between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday.
- In case of Zoom outage, dial 515-604-9094; meeting ID: 142-334-233
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- Documents are available in accessible formats or additional languages by request. If you require translation or other accommodation, call (415) 226-0855 or 711. Requests must be received no less than five working days prior to the meeting.
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- Nếu bạn cần thông dịch hoặc các hỗ trợ khác, hãy gọi (415) 226-0855 hoặc 711. Để truy cập các hướng dẫn này bằng tiếng Việt, [hãy nhấp vào đây](#).

10:00 a.m. Convene as the Marin County Transit District Board of Directors

1. **Consider approval of Directors request to participate remotely and utilize Just Cause or Emergency Circumstance per AB 2449**
2. **Open Time for Public Expression**
(Limited to two minutes per speaker on items not on the District's agenda)
3. **Board of Directors' Matters**
4. **General Manager's Report**
 - a. General Manager's Oral Report
 - b. [Monthly Monitoring Report: September 2023](#)
5. **Consent Calendar**
 - a. [Minutes for November 6, 2023 Board Meeting](#)
 - b. [Adopt 2024 Board Meeting Calendar](#)
 - c. [Federal Legislative Report](#)
 - d. [Marin Transit Quarterly Performance Report for the First Quarter of FY 2023/24](#)
 - e. [Marin County Transit District First Quarter FY 2023/24 Financial Report](#)
 - f. [Purchase of Cradlepoint Onboard Data Routers](#)

Recommended Action: Approve.
6. **[Marin Transit Annual Comprehensive Financial Report for FY 2022/23](#)**

Recommended Action: Accept report.
7. **[Annual School Transportation Services Report](#)**

Recommended Action: Accept report.
8. **[Fare Collection Study Update](#)**

Recommended Action: Discussion item.

Adjourn



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Supervisor District 2

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Town of San Anselmo

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Director
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Moulton-Peters
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Supervisor District 3

Dennis Rodoni

Director
Supervisor District 4

Maribeth Bushey

Director
City of San Rafael

Fred Casissa

Alternate
Town of Corte Madera

December 4, 2023

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

Subject: General Manager Report – Monthly Report: September 2023

Dear Board Members:

Recommendation

This is a recurring information item.

Summary

The attached monthly report provides an overview of Marin Transit operations for the monthly period ending September 30, 2023. The monthly reports summarize statistics on the performance of Marin Transit services and customer comments.

Overall, Marin Transit experienced strong systemwide ridership growth in September 2023. Total ridership was 7% higher than the previous year (September 2022) and 11% lower than pre-COVID (September 2019).

Fixed route ridership recovery from the COVID-19 pandemic appears to be picking up again. After leveling off for the past six months (March through August 2023 were all 87-90% of pre-COVID ridership on fixed route services), September saw 92% of pre-COVID ridership on fixed route. This increase is likely the result of riders returning due to the reliability improvements that came with the June service change, and staff are optimistic that the trend will continue.

Marin Access ridership has had a declining ridership trend since September 2022; this month (September 2023) continued the trend, with ridership at 39% of pre-COVID. Last month, Marin Access ridership jumped from 35% pre-COVID in July to 40% pre-COVID in August, and September ridership levels were comparable to August. It remains to be seen how strong of an effect the Marin Access service changes implemented in July will have on ridership going forward.

Additional detailed analyses of system performance and trends are provided in separate quarterly and annual reports, including route-level statistics and



financials. These reports are available on the District's website at <https://marintransit.org/service-performance-and-reports>.

Fiscal/Staffing Impact

None.

Respectfully Submitted,

A handwritten signature in black ink that reads "Nancy E. Whelan".

Nancy Whelan
General Manager

Attachment A: Monthly Ridership Report and Customer Comments



Monthly Customer Feedback Report

September 2023

Month: September 2023		Program							Total
Category	Fixed-Route Local	Fixed-Route Shuttle	Stagecoach & Muir Woods	Supplemental & Yellow Bus	Demand Response	Mobility Management	Systemwide		
Commendation	1	0	1	0	4	0	0	6	
Service Delivery Complaint	41	12	1	0	5	0	1	60	
Accessibility	1	0	0	0	0	0	0	1	
Driver Conduct Complaint	13	3	0	0	1	0	0	17	
Driving Complaint	8	1	0	0	2	0	1	12	
Early Trip	2	0	0	0	0	0	0	2	
Equipment Issue	0	0	0	0	0	0	0	0	
Farebox	0	0	0	0	0	0	0	0	
Late Trip	3	1	0	0	1	0	0	5	
Missed Connection	0	0	0	0	0	0	0	0	
Missed Trip	1	1	0	0	0	0	0	2	
No-Show	2	0	1	0	1	0	0	4	
Off-Route	1	0	0	0	0	0	0	1	
Pass-Up Complaint	10	6	0	0	0	0	0	16	
Service Structure Complaint	11	3	3	1	4	0	3	25	
Bus Stop Improvement Request	2	0	0	0	0	0	1	3	
Fares	0	0	0	0	0	0	0	0	
Other Complaint	1	0	1	0	2	0	0	4	
Scheduling Complaint	1	0	0	0	2	0	0	3	
Service Improvement Suggestion	7	3	2	1	0	0	2	15	
Safety Complaint	0	0	0	0	0	0	0	0	
Total Service Hours	11,372	1,905	1,965	161	2,141	-	17,680	17,680	
Commendations per 1,000 Hours	0.1	0.0	0.5	0.0	1.9	-	0.0	0.3	
Complaints per 1,000 Hours	4.6	7.9	2.0	6.2	4.2	-	0.2	4.8	
Total Passengers	216,885	17,952	14,353	4,596	3,904	1,642	270,259	270,259	
Commendations per 1,000 Passenger	0.0	0.0	0.1	0.0	1.0	0.0	0.0	0.0	
Complaints per 1,000 Passengers	0.2	0.8	0.3	0.2	2.3	0.0	0.0	0.3	

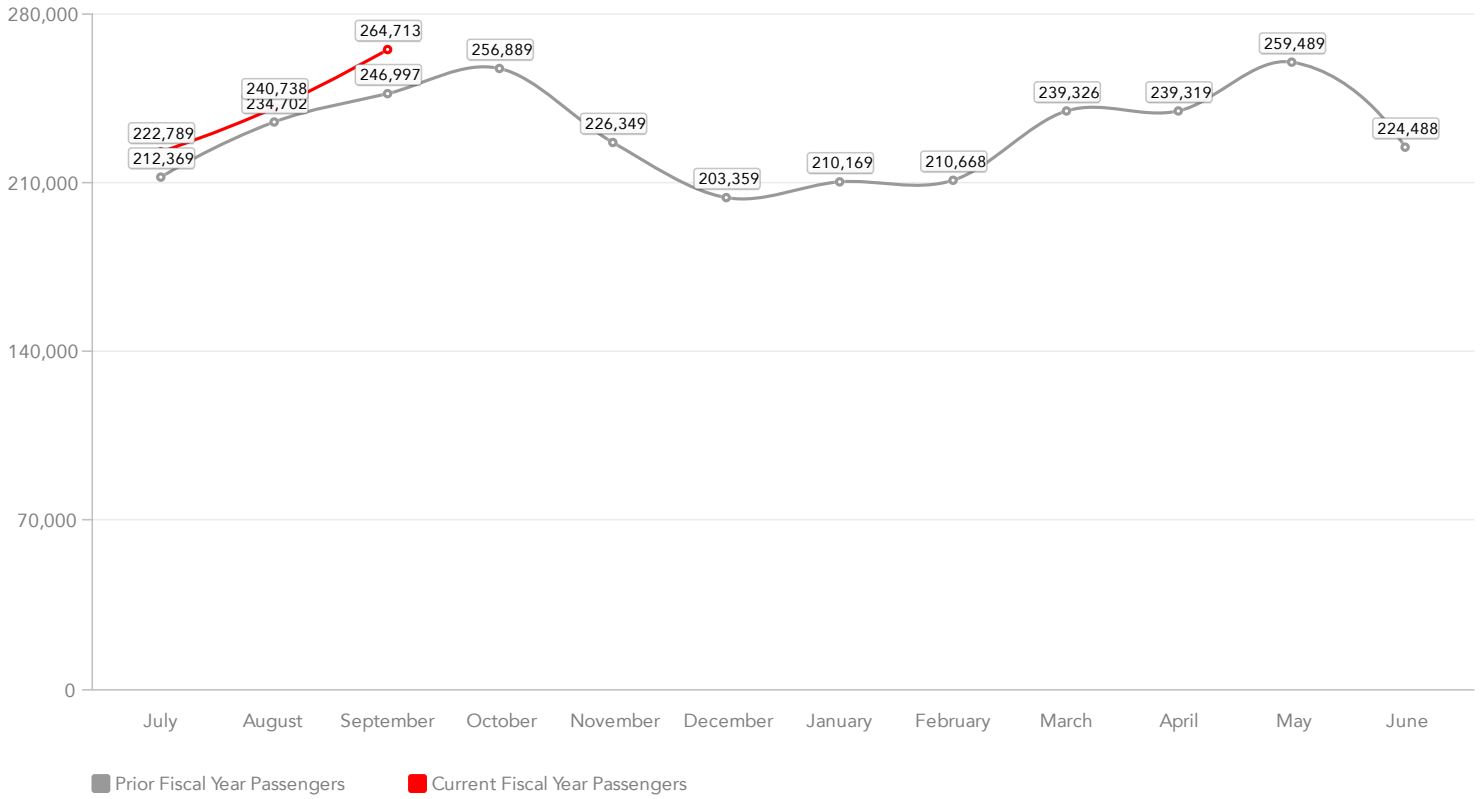
Attachment A

FISCAL YEAR MONTH

2024 All

Year-to-Date Ridership Trends

Fixed-Route Passengers (incl. Yellow Bus) by Month



Demand Response Passengers by Month

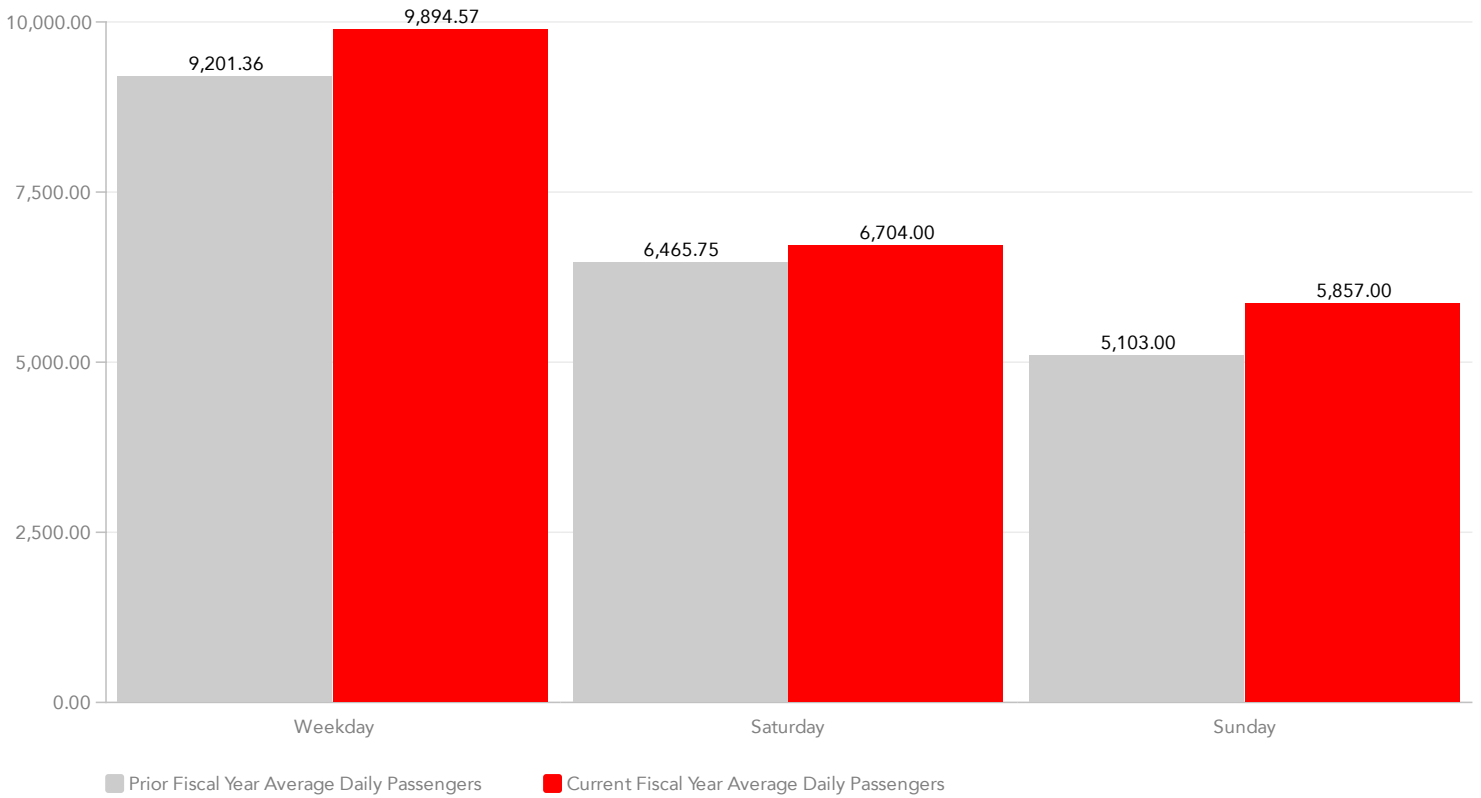


Monthly Comparison

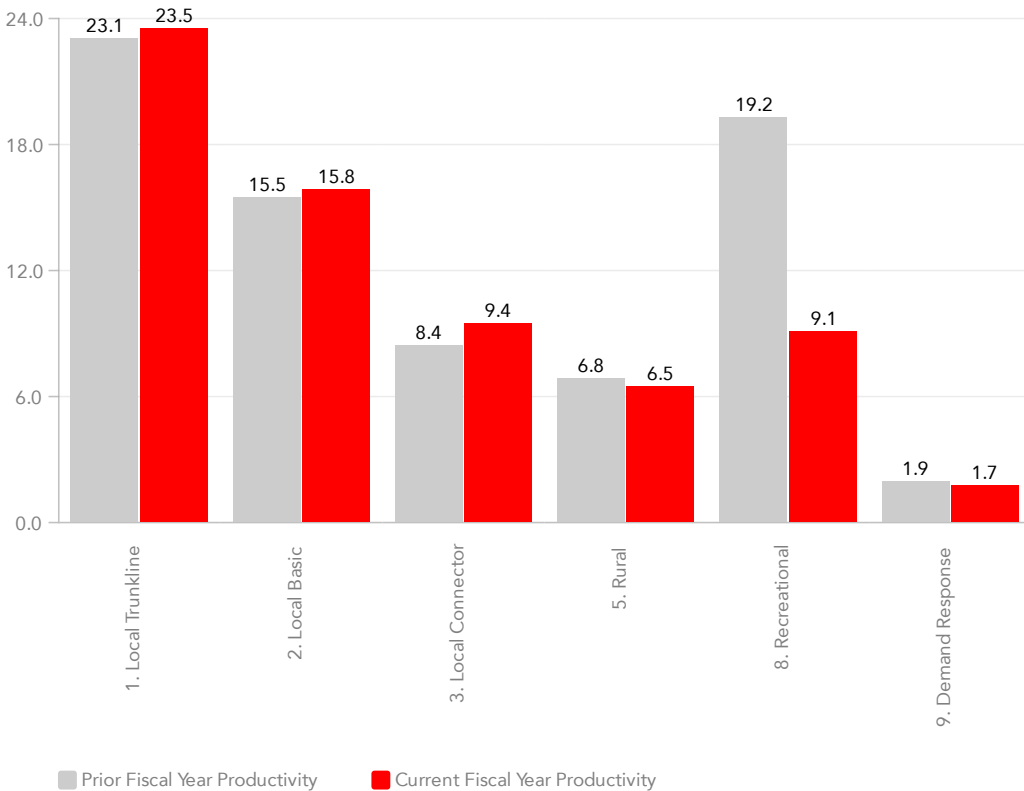
MONTH

Sep

Average Systemwide Daily Passengers



Productivity (pax/hr) by Typology



Route Typologies

- 1. Local Trunkline:
Routes 35, 36, 71
- 2. Local Basic:
Routes 17, 22, 23, 29, 49, 57
- 3. Local Connector:
Routes 219, 228, 233, 245
- 5. Rural:
Routes 61, 68
- 8. Recreational:
Muir Woods Shuttle
- 9. Demand Response:
Local Paratransit, Marin Access Shuttles

REGULAR MEETING OF THE MARIN COUNTY TRANSIT DISTRICT BOARD OF DIRECTORS

Held Monday, November 6, 2023 at 10:00 A.M.

Roll Call

Present: President Rice, Vice President Colbert, Second Vice President Lucan, Director Moulton-Peters, Director Rodoni, Director Sackett, Director Bushey, Director Casissa

Absent: None

Director Casissa was in attendance as a non-voting member.

Board President Rice opened the meeting at 10:12 A.M.

1. [Consider approval of Directors request to participate remotely and utilize Just Cause or Emergency Circumstance per AB 2449](#)

President Rice reported there were no requests for remote participation by Directors.

2. [Open Time for Public Expression](#)

President Rice asked if any member of the public wished to speak. Seeing none she called for Board of Director's Matters.

3. [Board of Directors' Matters](#)

President Rice asked if any member of the Board wished to speak. Seeing none she called for the General Manager's Report.

4. [General Manager's Report](#)
 - a. [General Manager's Oral Report](#)
 - b. [Monthly Monitoring Report: August 2023](#)
 - i. [Item 4b – Staff Report](#)

General Manager Nancy Whelan reported on the Marin Access Staff Appreciation Event, which was held on October 25, 2023, at the Marin Access Operations Facility. The purpose of the event was to express appreciation for all staff, on behalf of Marin Access' riders. Ms. Whelan announced that Marin Access Operations Manager Terresa Jones and Marin Access General Manager Jhashe Holloway were present at that day's Board meeting.

Ms. Whelan reported that the District's August 2023 overall ridership was 14 percent lower than August 2019 and two percent higher than August 2022. In August 2023, ridership on fixed route services was 90 percent of August 2019's ridership. Marin Access' August 2023 ridership was at 40 percent of its August 2019 ridership, and 15 percent lower than August 2022.

5. [Consent Calendar](#)

- a. [Minutes for October 2, 2023 Board Meeting](#)
- b. ~~[Adopt 2024 Board Meeting Calendar](#)~~
- c. [Federal Legislative Report](#)
- d. [Award Contract with Clean Solution Services, Inc., to Provide Scheduled and On Demand Bus Stop Cleaning and Maintenance](#)
- e. [Maintenance Agreement with the California Department of Transportation for Bus Stop Improvements at East Francisco Boulevard & Medway Road, Strawberry Frontage Road & US 101 Northbound On Ramp, and Tiburon Boulevard & San Rafael Avenue](#)

General Manager Nancy Whelan requested that Item 5b be pulled from the consent calendar. Ms. Whelan stated the item will be brought back to the Board at the December 4, 2023 Board meeting. President Rice called for a motion to approve the consent calendar without Item 5b.

Recommended Action: Approve.

M/s: Vice President Colbert – Director Sackett

Ayes: President Rice, Vice President Colbert, Second Vice President Lucan, Director Moulton-Peters, Director Rodoni, Director Sackett, Director Bushey

Noes: None

Absent: None

Abstain: None

6. [Benefits/Challenges of Free Fares and Costs of Fare Collection](#)

[Staff Report](#)

President Rice announced that agenda item six was requested at a Board meeting several months ago, and she is glad to have it on the agenda at that day's meeting.

General Manager Nancy Whelan noted that the topic of this agenda item has been briefly discussed in the past, and this agenda item will provide an opportunity for the Board to look deeper into the topic.

Director of Planning Cathleen Sullivan reported that she will provide an overview of fare collection and review the benefits and challenges of a fare-free system. She explained that eliminating fares has been considered by many public transportation agencies, often as a strategy to either improve equity or improve sustainability. It is not often considered as a way to reduce costs, and it often results in increased costs. A fare-free system has an additional range of impacts that should be considered. Ms. Sullivan stated that it is important to be clear on an agency's goals while pursuing free fares and compare that idea to other options that could achieve those same goals. It is also crucial to look at lessons learned from other agencies. Ms. Sullivan noted that the District has not raised their fixed-route fares in almost 20 years. In 2020, the Board adopted a new fare structure which provided additional discounts to frequent riders. The District currently offers free fares for some riders, such as low-income students, low-income seniors, and those served by Homeward Bound.

Ms. Sullivan reviewed previous reports made to the Board regarding the consideration of free fares, as well as the key takeaways from those reports. Ms. Sullivan noted that there has been ample press coverage on the issue of free fares, as many agencies have considered it. A few agencies have adopted a fully fare-free policy, while others are partially fare-free or offer targeted discounts. Ms. Sullivan explained that while the concept is appealing, it is complex. She listed the District's key considerations, which are revenue, the effective use of resources, ridership, vehicle capacity, passenger experience, operator experience, and impacts to paratransit. Ms. Sullivan summarized the benefits and challenges of fare-free systems. She provided an overview of the costs of fare collection for the District. About 10 to 15 percent of fare revenue is spent on fare collection, and noted that this is a conservative, high, estimate. Ms. Sullivan concluded that staff do not recommend pursuing free fares systemwide, however staff will continue working to increase awareness of the District's current discounted and free fare programs. The fare study will consider additional free fare offerings for certain populations or bus routes.

Director Bushey requested more information on the consequences of free fares on paratransit. She asked about the fact that paratransit ridership increases when fares are eliminated, and asked doesn't that mean fares are a barrier to use of paratransit?

Ms. Sullivan explained that the current paratransit fare is four dollars. If the District were to make the paratransit fares free, there would potentially be more demand, which would require additional funding.

Director Bushey noted that the cost of the ride may be a financial barrier for rides. She asked what the fixed-route fare is.

Ms. Sullivan answered that the fixed-route fare is two dollars. She said that ridership often increases when fares become free, as it removes financial barriers. On fixed-route services, when fares become free, those who would normally walk to their destination would be able to instead take the bus for free. For paratransit, there is an existing program for low-income riders. Ultimately, free fares would eliminate financial barriers to riding, therefore ridership is likely to increase.

Director Bushey responded that she agrees that a free fare policy would not be a good approach for the District. However, for paratransit, there may be opportunities to increase ridership by adjusting the fare. She asked how much riders pay with the low-income program.

Ms. Sullivan explained that low-income riders can take a certain number of rides for free.

Director Bushey asked which riders are paying the four-dollar fare.

Ms. Sullivan answered that all riders who do not qualify for the Marin Access Fare Assistance (MAFA) program pay the four-dollar fare.

Director Bushey asked if the riders who pay the four-dollar fare are not low-income riders.

Ms. Sullivan confirmed the riders who pay the four-dollar fare are not low-income riders.

Second Vice President Lucan asked if Ms. Sullivan is aware of any findings specifically from other public transportation agencies who offer free fares for youth or seniors and how those programs are structured.

Ms. Sullivan responded that there are other agencies who have offered free fares for youth or seniors. She offered to research their findings on seniors, however when youth were offered free fares, vehicle overcrowding became an issue. Youth who would normally walk or bike may decide to take the bus.

Second Vice President Lucan ask if bus operators check student IDs to allow students on to the bus for free.

Ms. Sullivan answered that staff have distributed stickers for youth.

Ms. Whelan added that essentially, a student ID would act as a flash pass.

Second Vice President Lucan asked how bus operators would verify a senior's age.

Ms. Sullivan stated that Senior Clipper Cards are one way to verify their age, and that method involves outreach. Senior Clipper Cards do not need to be renewed and are a great option for agencies with high Clipper Card adoption. Ms. Sullivan clarified that for the District's MAFA program, riders receive flash passes.

Second Vice President Lucan noted that participation barriers aren't removed in those cases, as riders must apply for the programs.

Ms. Sullivan added that the cards must also be mailed to the riders. She said there probably are instances where riders can show their ID to the bus operator, however that would slow down boarding speed.

Second Vice President Lucan stated that if the District conducts more targeted free fare programs, removing barriers should be investigated.

Ms. Sullivan said that the District's youth programs are embedded into the schools. The schools perform outreach, and there could be press coverage, similar to the programs in San Francisco.

Director Moulton-Peters asked if the staff's presentation provided a complete inventory of the current discounted pass programs, or if there are more that were not included.

Ms. Sullivan clarified that there is a longer list that could be provided.

Director Moulton-Peters asked what percentage of the current rider population utilizes any of the discounts.

Ms. Sullivan offered to provide that data after the meeting, as she currently did not have that information.

Director Moulton-Peters said that when staff come back to the Board with more information on the fare study, she hopes staff will provide more context in terms of which demographics ride the bus, who is benefitting from the free and reduced

fare programs, and where the gaps are. She wondered which qualifying riders are not getting benefits.

Ms. Sullivan suggested the largest gap may be low-income adults. Those who use Marin Access know about the low-income programs, youth programs are well-covered, and low-income youth can ride the bus for free. Low-income adults are a challenging population to address, and the fare study will focus on that population.

Ms. Whelan added that there was a pilot program for providing passes to families of low-income students, instead of passes for just the students. That pilot program did not result in the ridership increase staff had anticipated. Staff are looking into how to better address the population of low-income adults.

Director Rodoni stated that it seemed like a lot of the consequences staff are worried about are not related to the District. He asked if staff observed any negative impacts when the District offered free fares during the Marin County Fair or any other pilots. He said he is worried that staff are rejecting the concept of free fares because they are worried about results they have observed at other agencies, which may not be a good way to make a decision. The District's system is a very different system which has different riders, compared to other regions. He requested additional information about the District's free and discounted fare programs. He noted ridership return since the COVID-19 pandemic, and wondered if staff would like to increase ridership beyond 90%. He indicated that it would be a good thing for ridership to surpass its pre-pandemic levels. He requested to hear about any negative impacts staff have observed from the District's previous free and discounted fare programs.

Ms. Sullivan responded that she would follow up after the meeting with more information once staff have investigated his concerns more. She said that the District has a dual mission of coverage and ridership, allocating resources to the routes with the highest ridership. Routes with lower ridership provide a lifeline to those who need them. Service development is a balancing act of maximizing the utility of the system within a limited budget, to increase ridership and serve passengers. Staff often receive complaints about their coverage of various locations; however, it is tough to justify reallocation of resources when riders will be impacted. The District has fixed resources, which is a limitation. If the District had additional resources, service would increase.

Director Rodoni said he understands the budgetary constraints, although he is unsure about the anecdotal issues indicated for free fares.

Ms. Whelan noted that Marin Transit offered free fares during the Marin County Fair because ridership during summer months is low, therefore overcrowding was not an issue. Similarly, the free fares were offered to youth during the summer because there is more capacity over the summer, and we did not see a large ridership increase. Those targeted pilots occurred during periods when staff knew overcrowding would not be an issue. Staff also did not see any overcrowding when seniors were offered free fares. Some seniors continued to pay fares during that time. Staff have never run a pilot that would offer free fares systemwide.

Ms. Sullivan noted that, in other locations, there have been funding measures that voters have passed with free fares as their objective. In those cases, funding was available to back-fill fare loss so that the agencies could continue to provide high-quality service.

Director Sackett said she appreciated the research from other jurisdictions, and staff's thorough investigation. She added that her concern had been regarding the cost of the fareboxes. She said she appreciated that there is a strong cost recovery, which supports the collection of fares. Director Sackett stated that overcrowding is a good problem and should be thought about separately if it is an issue. She noted that school routes fall into a somewhat different category, however if an overcrowding issue evolves, the Board will look into solving it, so the issue should be separated to some extent. If students are taking the bus instead of walking, they may take the bus other places, and adults may follow.

Director Sackett said that it boils down to Clipper penetration, and many riders do not understand what Clipper is, and that it is beneficial. Clipper may be difficult for some riders to obtain. Hopefully, through regional efforts, the Clipper issue may change, however for now the District is far from being able to entirely rely on Clipper for discounted fare programs. Director Sackett explained that San Rafael City Schools has a quarterly meeting of Spanish-speaking parents, who staff should outreach to. Handing parents passes in-person may be better than mailing passes. Director Sackett offered to help facilitate that process. When looking to assist low-income adults, it is beneficial to be where they are in-person. Riders may not participate in programs when there are more steps to enroll. Director Sackett said she agrees that a free fare structure is not an appropriate option for the District currently.

Vice President Colbert suggested that many people may be confused by the District and may not understand how they can get from place to place on public transportation, although the District has done outreach. He requested that in the future, staff inform the Board about where low-income adults are traveling to and from, and whether the system works well for them. He asked what populations

staff are not reaching and wondered how staff can close those gaps, and the costs associated with doing so. The District offers a high-quality ridership experience. Vice President Colbert asked how potential degradation of service may affect riders who are used to a high-quality and safe ridership experience. He wondered if something does happen, how staff can increase comfort levels if riders become uncomfortable, so ridership does not decrease.

Ms. Sullivan stated that safety is a concern, and safety issues are often covered by the news. It is a tough topic to quantify.

Vice President Colbert said the current public perception is that the District's buses are safe, and he hopes they would not lose that reputation.

Director Moulton-Peters asked how overcrowding impacts the District. She noted that safety on public transportation in the San Francisco Bay Area is an issue, although it is less of an issue for the District, so context is important. The District's service is distinct and nuanced. She wondered how real the issue of safety is for the District.

Ms. Sullivan answered that overcrowding on buses results in complaints from the public.

Ms. Whelan added that overcrowding decreases the quality of service and discourages or prevents riders from boarding. Additional service would address the issue, however that would require additional funding. Ms. Whelan acknowledged that the District sometimes receives comments about empty buses, however it is important to think about when the buses are empty. In the middle of the day, vehicles have more capacity due to there being less riders. Even free fares may not fill up buses during the middle of the day. Staff would be able to estimate when and where there may be overcrowding with free fares.

Ms. Whelan noted that the District's buses do not experience the safety issues that other agencies in the San Francisco Bay Area experience, so riders expect a safe experience when riding with the District. Tolerance of issues may drive people off public transportation, especially young people. While staff may not be able to entirely predict safety issues, it is not currently a problem. Other suburban agencies have experienced issues in safety when they offered free fares.

Director Moulton-Peters suggested the safety issues may be high-impact but low in frequency.

President Rice highlighted that per staff's research, they found that fares are not a barrier, that riders are not aware of discounts, and riders value frequency and

reliability of service. She asked how much service \$2.5 million represents. She said that if the District's objectives are to address equity and increase ridership, it makes sense to understand what the loss of service would be if free fares cost the District \$2.5 million. President Rice suggested that transit-dependent riders and choice riders would have their objectives met with improved service frequency. She said that staff should ensure that those who are eligible for discounted fares are able to take advantage of the discounted fares, especially the low-income adult population.

Director of Finance & Capital Programs Lauren Gradia stated that \$2.5 million is more than the District's rural program, which contains two routes.

President Rice asked if \$2.5 million is significant in terms of highly populated routes.

Ms. Gradia confirmed it is. She said \$2.5 million is equivalent to two rural or urban routes. Both types of routes have the same hourly rate.

President Rice asked what the frequency of those routes would be.

Ms. Gradia answered that those routes would be run hourly.

Director Moulton-Peters suggested that the situation may make more sense in terms of how much service frequency would be shaved off multiple routes if the District lost \$2.5 million in funding.

Ms. Gradia suggested the Board may be able to determine that information based on the eighth agenda item, the annual System Performance Report.

President Rice said she would rather find a way for the District to invest in increasing frequency, which might increase ridership just as much as free fares, and potentially improve equity. More travel options would be helpful for those who are transit dependent.

President Rice called for public comment.

Urban Carmel asked if the number of students who rode the bus during the pilot of free fares for students caused any degradation of service. He asked if the District would consider a similar year-long pilot. He said that many Board members were in a recent transportation planning meeting, where reducing car trips was discussed as an option for planning. Providing free fares for students would support that idea.

President Rice said she recalled crowded routes serving the schools, and additional service was needed.

Ms. Sullivan replied that overcrowding is a reason that the District offers free fares for youth specifically over the summer.

Ms. Whelan added that the District already has overcrowding issues on routes that serve local schools.

Director Moulton-Peters noted that 25 percent of morning commute traffic in Marin County is school-related. She suggested that it is an important issue and staff should look further into the school service and whether they should pursue additional service, potentially at the expense of other service.

Director Rodoni added that he likes the idea of running pilot programs to test current theories, especially during the summer. Additional pilot programs would help the District determine what an entirely free fare system would look like. For example, the District could run their rural program for free as a pilot.

Director Sackett noted that we should consider elementary school students separately, as those students will not use the District's services, and they currently contribute to traffic. Middle school students should be considered differently depending on geography. She suggested that elementary school congestion will not be solved by the District.

Director Moulton-Peters said that the buses serving Redwood High School are always full, which makes a difference in traffic in that area.

President Rice said those comments speak to a more nuanced response from staff, looking at what areas are contributing to overcrowding. She acknowledged that the issue is not a simple question, and there is a balancing act.

Recommended Action: Discussion item.

7. [Marin Transit FY 2022/23 Year End Financial Report](#)

[Staff Report](#)

Director of Finance & Capital Programs Lauren Gradia thanked the District's financial team for their work on agenda item seven's report. Ms. Gradia stated that in December of 2023, staff will present the financial audit to the Board. Ms. Gradia presented the budget summary table, which summed up recent expenditures and revenues for Operations and Capital programs. She presented a graph of the District's total expenses by program area and listed the

percentage of budgeted revenue hours per program. Ms. Gradia outlined the District's Operations revenues and expenses. She compared Operations revenues over the last five fiscal years. She summarized recent changes made to the District's fixed route transportation contracts. She broke down fiscal year 2022/2023's Capital expenditures and provided the District's five-year financial projections. She announced that the Short-Range Transit Plan (SRTP) will be updated in 2024.

Director Sackett noted that the property tax portion of the Operations revenue appeared to decrease over time in the report. She asked why it appeared that way.

Ms. Gradia responded that property tax should be consistent each year, so she will check on why the chart represented the data that way.

Director Casissa pointed out that in the Operations revenue portion of the report, advertising revenue appeared to increase in Fiscal Year 2022/2023.

Ms. Gradia responded that the data for advertising revenue was represented incorrectly in the chart. She clarified that advertising revenue should have decreased.

Director Casissa noted that in the financial projections portion of the report, in Fiscal Year 2024/2025, the District's revenue is projected to exceed its expenses. He asked why staff projected that.

Ms. Gradia answered that currently, revenue is exceeding expenses, due in part to how the District is spending reserves not held by the District, for example Measure A funding, which is drawn down on a reimbursement basis. Staff projected how they anticipate drawing it down.

Director Casissa referenced Ms. Gradia's statement regarding an anticipated deficit Fiscal Year 2025/2026, which will be covered by the District's reserves. He noted that in following years, a deficit is also anticipated.

Ms. Gradia clarified that the deficit is represented by the yellow line in the chart. The District will take the deficit out of the reserve, at about \$3 million each year.

Director Casissa asked if Ms. Gradia meant that staff anticipate taking \$3 million per year each year, totaling \$9 million.

Ms. Gradia confirmed that was what staff anticipated.

Director Bushey asked what escalation factor was used for contract operations projections.

Ms. Gradia responded that staff used the escalation that is in the current contract. At a re-bid, the escalation will typically increase. Currently the escalation for Golden Gate Transit is about 3.6 percent. For Marin Airporter, it is less.

Director Bushey asked if the escalations are contractually locked in for the entire year, for all the years of projections.

Ms. Gradia confirmed they are. At the re-bid, staff usually project between five to 10 percent.

President Rice asked what the District's reserve policy is.

Ms. Gradia stated that the reserve policy is to maintain a reserve of three months of operating revenues for the Operations reserve, and two months of the operating expenses for the Emergency reserve. Staff also designate what to do with the remainder, which was recently designated to the Capital reserve.

President Rice asked if the Operations reserve will continue to decrease by \$3 million every year after Fiscal Year 2027/2028, if all assumptions hold true.

Ms. Gradia stated that the District's policy is to not dip into the Emergency reserve, however the Contingency reserve would be available. The Contingency reserve is about \$3.5 million. The District would be drawing down \$3 million from that every year.

President Rice asked if staff will be updating the SRTP in 2024.

Ms. Gradia confirmed they would be.

President Rice asked how far into the future the updated SRTP will project.

Ms. Gradia responded that the SRTP will be a 10-year financial outlook.

General Manager Nancy Whelan added that the Fiscal Year 2022/23 Year End Financial Report's financial projections were partially based on assumptions that the Metropolitan Transportation Commission (MTC) provided, particularly for revenues, which were different than what the District has been experiencing. They are lower than what staff would normally project. Typically, revenues have been equivalent to or higher than MTC's assumptions.

Ms. Gradia noted that the trend of expenses exceeding revenues is consistent over time, however the reserve provides time for staff to make corrections.

Director Moulton-Peters asked if the \$2.5 million lost in a potential free fare structure would come out of local service, rural service, and Marin Access.

Ms. Whelan confirmed it would.

Director Moulton-Peters said that it is important to view it through that perspective.

Director Moulton-Peters explained that her impression is that staff are trying to provide as much service as possible with the funding that they have. So, they should be conscious of that while they consider free fares.

Recommended Action: Accept report.

M/s: Director Moulton-Peters – Second Vice President Lucan

Ayes: President Rice, Vice President Colbert, Second Vice President Lucan, Director Moulton-Peters, Director Rodoni, Director Sackett, Director Bushey

Noes: None

Absent: None

Abstain: None

8. [Marin Transit FY 2022/23 System Performance Report](#)

[Staff Report](#)

Senior Transit Planner Asher Butnik provided an overview of service changes from Fiscal Year 2021/2022 to Fiscal Year 2022/2023. Major service changes took effect June 11, 2023. Mr. Butnik compared systemwide total ridership data from Fiscal Year 2018/2019 to Fiscal Year 2022/2023, which was broken down between fixed-route service, Marin Access, and Yellow Bus service. He compared total ridership by month, from Fiscal Year 2018/2019 to Fiscal Year 2022/2023. Mr. Butnik presented each route's number of passengers per revenue hour and subsidy per passenger and compared the data to service standards. Mr. Butnik compared the District's 2019 fixed-route ridership to its 2023 ridership, alongside values for six other Bay Area transit agencies. He compared the District's 2022 fixed-route ridership to its 2023 ridership, alongside values for six other Bay Area

transit agencies. Mr. Butnik provided additional context for the data he presented and listed future considerations for Fiscal Year 2023/2024 changes.

Director Bushey referenced Mr. Butnik's statement that staff will reevaluate service typologies and performance metrics. She noted that many of the services are not meeting key performance metrics. She asked if that is where staff plan to start, and she asked how staff will address questions regarding why they decided to change those values.

Mr. Butnik responded that the SRTP process will evaluate performance metrics. He said that the reason most routes are not meeting their subsidy target is because when the targets were initially adopted by the Board in 2018, the inflation increases were limited to five percent every two years. Since then, inflation has been above five percent every two years. Staff will reassess the targets to account for accurate inflation since 2018 and further inflation in the future. Staff will have a larger process of looking at appropriate subsidy targets.

Director Bushey asked why staff would go to the Consumer Price Index (CPI) for escalation instead of actual costs or any other alternative.

Mr. Butnik answered that the adopted metric in 2018 was not CPI, it was five percent every two years. Staff were not able to increase the subsidy target beyond that.

Director Bushey asked if it would make more sense to base the escalation on the District's revenue or costs.

Mr. Butnik said staff may choose to recommend that. Staff are going to look at all the options in their evaluation.

General Manager Nancy Whelan added that the escalation may not be tied to CPI, due to the contracts that are in place. The methodology for the adoption of the metrics in 2018 involved contract costs, including fuel. Contract renegotiations and fuel pricing made it difficult to predict. Ms. Whelan stated it would be a great idea to reconsider their metrics.

Second Vice President Lucan asked why the District has had higher ridership recovery since the COVID-19 pandemic, when compared to other Bay Area agencies. He asked if the other transit agencies are back to their original service levels, as some other agencies were slower to restore service. He asked what staff could learn from it.

Mr. Butnik responded that service restoration rate is a large piece of the issue. The District has not cut its core service during the COVID-19 pandemic. Only the

Muir Woods Shuttle and Supplemental School Service have been cut, not local service, so the District's riders were not lost like at other agencies. Reliable service is an important aspect.

Ms. Whelan added that riders in Marin County did not choose and stick with any alternative modes of transportation. If they had other means of transportation available, they did not switch, because they knew the District's service was still running. Other agencies did not have that same experience or were unable to do so. When social distancing was required, the District increased service, which made it even more attractive to riders. Marin County schools also returned to in-person programming sooner than in other counties, so student ridership came back earlier.

Second Vice President Lucan stated that the data shows that when you cut service, you may not regain riders. Sometimes it is worth it to run emptier buses so that the public understands that the service is there. He said he is looking forward to seeing what happens in the future. While other agencies saw more of an increase in ridership from 2022 to 2023 when compared to the District, in the next few years they may see ridership loss that may never be recovered. He said he thinks the District has made the right decisions, and the numbers show it.

Director Moulton-Peters noted that staff have spent ample time developing service that is tailored to riders. She said that she thinks the reason the District has such high ridership is also because service has been offered to those who really need it. She asked if other transit agencies have had challenges because unlike the District, they have lost their commuting riders.

Ms. Whelan confirmed that is the case. She added that the District's riders commute differently compared to other suburban and commute-oriented operators.

Director Moulton-Peters recommended that staff keep in mind that the reason the District has high ridership is because they have approached their target market correctly.

President Rice asked what the District's productivity levels were before the COVID-19 pandemic. She said she would like to see if there have been changes in the ways residents are using the service, in addition to the service changes.

Mr. Butnik responded that he will prepare a presentation slide that shows the systemwide productivity levels before and after the COVID-19 pandemic. He pointed out that in the appendix of his report, each route profile has a five-year graph of productivity.

President Rice wondered what the community may want that staff have yet to recognize. She asked if staff could involve themselves with the community during short-range transit planning, to see if they can capture what is not currently offered that the community may use.

Director Moulton-Peters mentioned that during the Marin County Board of Supervisors meetings, they often receive comments regarding inadequate services for seniors. Senior ridership has not come back as much as other populations. Services for seniors are offered, but not used as much.

Director Sackett recommended that staff run focus groups, to compare feedback from different populations such as youth, low-income adults, and seniors.

Vice President Colbert suggested there may be confusion between the District and its contractors. Oftentimes, frustration from the public is with the District's contractors, not the District. Riders are also frustrated by the lack of access to transportation to and from San Francisco. He noted that he encounters that type of feedback more frequently than he anticipated, so the focus groups would be a good time to explore that.

President Rice added that staff should work to understand the impact of loss of regional service on the riders who commute to and from San Francisco. She suggested there should be a focus group of riders who commute to and from San Francisco, as they may rely on the District's services to connect to regional public transportation services.

Recommended Action: Accept report.

M/s: Vice President Colbert – Director Sackett

Ayes: President Rice, Vice President Colbert, Second Vice President Lucan, Director Moulton-Peters, Director Rodoni, Director Sackett, Director Bushey

Noes: None

Absent: None

Abstain: None

Adjourn President Rice adjourned the meeting at 11:41 AM

SINE DIE

PRESIDENT

ATTEST:

CLERK



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Marin County Transit District

Board Meeting Dates for 2024

Board meetings are typically at 9:30 AM on the first Monday of the month. Meetings will be held in the Marin County Board of Supervisors' Chambers, Room 330. Alternate dates and times may be selected due to holidays and room availability. Schedule adjustments are shown in bold.

Date	Time	Location
January 8	9:30 AM – 11:30 AM	Zoom & Civic Center
February 5	9:30 AM – 11:30 AM	Zoom & Civic Center
March 4	9:30 AM – 11:30 AM	Zoom & Civic Center
April 8	9:30 AM – 11:30 AM	Zoom & Civic Center
May 6	9:30 AM – 11:30 AM	Zoom & Civic Center
June 3	9:30 AM – 11:30 AM	Zoom & Civic Center
July 1	9:30 AM – 11:30 AM	Zoom & Civic Center
August 5	9:30 AM – 11:30 AM	Zoom & Civic Center
September 9	9:30 AM – 11:30 AM	Zoom & Civic Center
October 7	9:30 AM – 11:30 AM	Zoom & Civic Center
November 4	9:30 AM – 11:30 AM	Zoom & Civic Center
December 2	9:30 AM – 11:30 AM	Zoom & Civic Center



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December 4, 2023

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

Subject: Federal Legislative Report

Dear Board Members:

Recommendation

This is a recurring information item.

Summary

In March 2023, your Board approved a contract for federal advocacy services with Carpi & Clay. Carpi & Clay provide a monthly Federal Update as a part of their services. The attached monthly report for October 2023 provides an overview of federal transportation activity including federal budget information, funding award announcements, grant opportunities, and regulatory announcements.

Fiscal/Staffing Impact

None.

Respectfully Submitted,

Nancy Whelan
General Manager

Attachment A: Federal Update October 2023

House Elects New Speaker

On October 3rd, for the first time in 113 years, the House voted on a motion to vacate the Speaker of the House. The motion passed by a vote of 216-210, with 8 Republicans joining all Democrats, resulting in Kevin McCarthy (R-CA) being removed as Speaker. Under the rules, the House cannot conduct any activity on the floor until a Speaker is elected which paused legislative action for most of October. As a temporary measure, Rep. Patrick McHenry (R-NC) was appointed as Speaker Pro Tempore and held limited powers while the House Republican caucus worked to get a successor to McCarthy in place. Since October 3rd, the House Republican caucus put forth four candidates for Speaker: House Majority Leader Steve Scalise (R-LA), House Judiciary Committee Chair Jim Jordan (R-OH), House Majority Whip Tom Emmer (R-MN) and Vice Chair of the House Republican Caucus Mike Johnson (R-LA). Neither Scalise, Jordan, or Emmer were able to secure the 218 votes needed to become Speaker. On October 25th, Rep. Mike Johnson was elected Speaker by a vote of 220-209. All Republican Members present voted for Johnson. Speaker Johnson became the first Speaker of the House to come from the state of Louisiana.

FY24 Appropriations Update

The House has resumed consideration of individual appropriations bills and recently passed the Energy and Water Appropriations bill ([H.R. 4394](#)) by a vote of 210-199. The House will continue to work on passing the remaining five FY24 bills next month. Across the Capitol the Senate began consideration of a three-bill minibus package that includes Military Construction-Veterans Affairs, Agriculture, and Transportation-Housing and Urban Development appropriations bills. There have been several votes on amendments, most notably the rejection of an amendment by Senator Mike Braun (R-ID) that would have prohibited earmarks, congressional directed spending, and community project funding.

The federal government is currently being funded through a Continuing Resolution (CR) which is set to expire on November 17th.

White House Sends \$106 Billion Supplemental Request to Congress

The White House submitted a \$106 billion supplemental [funding request](#) to Congress which included the following:

- \$61.4 billion for Ukraine

- \$14.3 billion for Israel
- \$13.6 billion for border security
- \$9.2 billion in humanitarian aid for Ukraine, Israel, and Gaza
- \$7.4 billion for the Indo-Pacific region

White House Sends \$55.9 Billion Domestic Supplemental Request to Congress

The White House submitted an additional \$55.9 billion supplemental [funding request](#) to Congress that includes the following:

- \$23.5 billion for disaster response and recovery
- \$16 billion for childcare programs
- \$6 billion for the Affordable Connectivity Program
- \$6 billion for energy and security programs
- \$1.6 billion for the Low Income Home Energy Assistance Program (LIHEAP)
- \$1.55 billion for State Opioid Response grants
- \$1.05 billion for international food assistance programs
- \$220 million for federal wildland firefighter salaries

Senator Butler Will Not Seek Full Term

Senator Laphonza Butler (D-CA) announced that she will not seek a full six-year term in the Senate in 2024. She will remain in office for the duration of Senator Dianne Feinstein's term, which ends at the end of 2024.

California Senators Receive New Committee Assignments

Senate Majority Leader Chuck Schumer (D-NY) announced new committee assignments for several Democratic Members, including California Senators Butler and Alex Padilla. Senator Butler will serve on the following committees:

- Judiciary
- Banking, Housing, and Urban Affairs
- Homeland Security and Governmental Affairs
- Rules and Administration

Additionally, Senator Padilla will move from the Homeland Security and Governmental Affairs Committee to the Energy and Natural Resources Committee.

House Committee Examines Longevity of the Highway Trust Fund

On October 18th the Highways and Transit Subcommittee of the House Transportation & Infrastructure Committee held a hearing titled "Running on Empty: The Highway Trust Fund". With greater fuel efficiency, increases in the number of electric and alternative fuel vehicles that do not run on gasoline, the HTF has not been able to fully rely on federal gas taxes to remain solvent. Since 2008, the HTF has been made whole from \$275 billion in transfers from the General Fund. The Subcommittee heard from a variety of experts

about the future of the HTF and options to keep the HTF solvent when the IIJA expires in 2026.

Senator Padilla Leads Letter Urging Prioritization of Zero-Emission Medium- and Heavy-Duty Vehicle Infrastructure

Senator Padilla led a letter signed by fourteen senators to the Secretaries of the Departments of Energy (DOE) and Transportation (DOT) urging the Joint Office of Energy and Transportation (Joint Office) to prioritize the deployment of zero-emission medium- and heavy-duty vehicle infrastructure. The letter requests that the Joint Office develop a national plan for zero-emission medium- and heavy-duty infrastructure deployment, coordinate funding opportunities and programs, develop best practices for states and utilities, and promote a national workforce training program. The letter can be found [HERE](#).

Federal Funding Opportunities & Announcements

DOE Awards \$3.46 Billion for Grid Resilience and Innovation Partnerships Program. DOE awarded \$3.46 billion to 58 projects in 44 states through the Grid Resilience and Innovation Partnerships Program. This program funds projects that modernize the electric grid to mitigate impacts of natural disasters and extreme weather events, increase resiliency and reliability of the electric power grid as renewable energy resources are deployed, and deploy electricity transmission, storage, and distribution technologies. The list of funded projects can be found [HERE](#).

DOE Awards \$30 Million for EECBG Program. DOE awarded \$30 million to 28 state, local, and tribal governments through the Energy Efficiency and Conservation Block Grant (EECBG) Program. The funding will support projects that improve energy efficiency and clean energy infrastructure in public and private spaces. The list of funded projects can be found [HERE](#).

DOT Announces Additional \$24 Million for Regional Infrastructure Accelerators Awards. DOT announced an expansion of the Regional Infrastructure Accelerators program to 24 accelerators receiving \$24 million in funding through the Bipartisan Infrastructure Law (BIL). The program helps to inform future work by measuring how different regional models can expedite the development and delivery of transportation projects. The list of funded projects can be found [HERE](#).

DOT Announces SCASD Grant Awards. DOT announced \$14.8 million for 10 communities through the Small Community Air Service Development (SCASD) Program. Projects will help small communities maintain and build air service options. The list of awardees can be found [HERE](#).

DOT Publishes Climate Transportation Research NOFO. DOT published a NOFO for the availability of \$2.5 million for the first year to establish the Climate and Transportation Research Center that advances research to support Administration efforts to reduce

greenhouse gas emissions in the transportation sector, incorporate evidence based climate resilience and adaptation measures and features, reduce the lifecycle greenhouse gas emissions from the project materials, avoid adverse environmental impacts to air or water quality, wetlands, and endangered species, and address the disproportionate negative environmental impacts of transportation on disadvantaged communities, consistent with Executive Order 14008, “Tackling the Climate Crisis at Home and Abroad” (86 FR 7619). Further, DOT seeks to fund a climate and transportation research center that will advance research to support Administration efforts to create proportional impacts to all populations in a project area, remove transportation related disparities to all populations in a project area, and increase equitable access to project benefits, consistent with Executive Order 13985, “Advancing Racial Equity and Support for Underserved Communities Through the Federal Government” (86 FR 7009). Applications are due November 27th and more information can be found [HERE](#).

DOT Announces SS4A Grant Awards. DOT announced \$86 million for 235 projects through the Safe Streets and Roads for All (SS4A) discretionary grant program. The grant awards announced for Round 1 will help fund planning and demonstration projects to help the nation’s cities, counties, metropolitan planning organizations, and tribal governments better understand the safety challenges in their communities, and then begin to identify solutions to make streets, roads, and highways safer for all road users. The list of awards can be found [HERE](#).

EPA Announces \$128 Million in Environmental Justice Grants. EPA awarded \$128 million for 186 projects through the Environmental Justice Government-to-Government (EJG2G) Program and the Environmental Justice Collaborative Problem Solving (EJCPS) Program. The agency selected 88 EJG2G recipients to receive \$84.7 million to support state, local, territorial, and tribal government partnerships with community based organizations focused on environmental or public health impacts in environmental justice (EJ) communities. EPA selected 98 EJCPS recipients to receive \$43.3 million to support projects that focus on EJ community resilience, revitalization, and emergency preparedness. The list of EJG2G recipients can be found [HERE](#) and the list of EJCPS recipients can be found [HERE](#).

Federal Permitting Improvement Steering Council Announces \$155 Million for Federal Agency Permitting Review Efficiency and Effectiveness. The Federal Permitting Improvement Steering Council announced \$155 million in funding for federal agencies to improve the efficiency and effectiveness of infrastructure permitting review and authorizations. The funding will support streamlining the permitting process for renewable energy generation, broadband, semiconductor facilities, and electric transmission projects. The list of federal agencies receiving assistance can be found [HERE](#).

FEMA Releases \$1 Billion Building Resilient Infrastructure and Communities NOFO. The Federal Emergency Management Agency (FEMA) released a \$1 billion Notice of Funding Opportunity (NOFO) for the Building Resilient Infrastructure and Communities program. This program funds hazard mitigation projects. Applications are

due February 29th and more information can be found [HERE](#).

FTA Publishes \$5.1 Million ADCMS Program NOFO. The Federal Transit Administration (FTA) published a \$5.1 million NOFO through the Accelerating Advanced Digital Construction Management Systems (ADCMS) program. The funding will be used for projects that help accelerate the use of digital tools across the lifecycle of an infrastructure program. Applications are due on February 12th and more information can be found [HERE](#).

FTA Publishes \$196.9 million Rail Vehicle Replacement Program NOFO. FTA published a \$196.9 million NOFO through the Competitive Grants for Rail Vehicle Replacement Program. Funding will help fund projects to replace rail rolling stock. Applications are due December 18th and more information can be found [HERE](#).

FTA Announces Tribal Transit Grant Awards. FTA announced \$9.9 million in grant awards to 22 Tribes and Native communities to improve their public transit systems. The funding will be used to buy transit vehicles, upgrade bus facilities, and expand transit options. The list of awardees can be found [HERE](#).

NOAA Releases \$600,000 Sea Grant Program Disaster Preparedness for Coastal Communities NOFO. The National Oceanic and Atmospheric Administration (NOAA) released a \$600,000 NOFO to support disaster preparedness, response, and recovery initiatives for coastal communities. Applications are due March 13th, and the program is only open to existing Sea Grant program participants. More information can be found [HERE](#).

Federal Agency Personnel & Regulatory Announcements

DOT BTS Publishes Vehicle Inventory and Use Survey. DOT's Bureau of Transportation Statistics (BTS) published the [2021 Vehicle Inventory and Use Survey \(VIUS\)](#). The data will guide investments in transportation infrastructure and vehicle technologies and evaluate truck safety, estimate emissions and energy consumption, and understand the role of trucks in economic activity. This is the first time in 20 years this data has been published.

DOT Adds Data and Mapping Tools. DOT added new data and mapping tools that aim to provide a high-level overview and guidance that may be useful in writing discretionary grant applications and developing projects. The new tools can be found [HERE](#).

EPA Releases Public Engagement Guide for State and Local Governments. EPA published a [guide](#) for state and local governments titled "Capacity Building Through Effective Meaningful Management." The guide includes tips for conducting outreach and reaching community consensus.

FEMA Publishes Federal Flood Risk Management Standard Proposed Rule. FEMA published a proposed rule for the Federal Flood Risk Management Standard (FFRMS).

The proposal provides details on the applicability, processes, resources, and responsibilities for implementing the FFRMS. Comments are due December 1st and more information can be found [HERE](#).

FTA Publishes Report on Measures to Advance Public Transit Equity and Access. FTA, in partnership with the University of Texas at Austin and Arizona State University, published a report titled “[Practical Measures for Advancing Public Transit Equity and Access](#).” The report provides nine equity strategies, along with five spatial analysis measures, that facilitate equitable outcomes in public transportation for underserved communities.

FTA Publishes PTCTP NPRM. FTA published a [notice of proposed rulemaking](#) (NPRM) that proposes changes to the requirements for the Public Transportation Safety Certification Training Program (PTCTP). The proposed revisions would streamline the PTCTP communication process and clarify voluntary PTCTP participation and refresher training requirements. FTA seeks comments from project sponsors, the transit industry, unions, other stakeholders, and the public on the proposed changes to the regulation. Comments are due by December 26th.

FTA Publishes Advance NPRM on Transit Worker Hours of Service and Fatigue Risk Management. FTA published an [Advance NPRM](#) (ANPRM) titled “Transit Worker Hours of Service and Fatigue Risk Management.” The ANPRM proposes minimum safety standards to provide protections for transit workers to rest with the goal of reducing the risk of fatigue-related safety incidents. FTA seeks feedback on hours of service and fatigue risk management programs, including best practices, priorities, requirements, and the costs and benefits of federal requirements. Comments are due December 29th.

HUD Publishes Commercial to Residential Conversion Guide. HUD published a new guide titled “[Commercial to Residential Conversions: A Guidebook to Available Federal Resources](#).” The guidebook provides information on federal programs, loans, grant, guarantees, and tax incentives that support conversion of commercial properties into residential.

IRS Publishes NPRM for the Transfer of Clean Vehicle Credits. The Internal Revenue Service (IRS) published a [NPRM](#) that provides guidance regarding certain clean vehicle credits. The proposed regulations would provide guidance for taxpayers who purchase qualifying previously owned clean vehicles or purchase qualifying new clean vehicles and intend to transfer the amount of any previously owned clean vehicle credit or new clean vehicle credit to dealers who are entities eligible to receive advance payments of either credit. The proposed regulations would also provide guidance for dealers to become eligible entities to receive advance payments of previously owned clean vehicle credits or new clean vehicle credits, and rules regarding recapture of the credits. The proposed regulations would affect taxpayers intending to transfer previously owned clean vehicle or new clean vehicle credits and eligible entities to whom the credits are transferred, as well as taxpayers who purchased previously owned clean vehicles or new clean vehicles in the event the vehicles cease being eligible for the credits. Finally, the proposed

regulations provide guidance on the meaning of three new definitions added to the exclusive list of “mathematical or clerical errors” relating to certain assessments of tax without a notice of deficiency. Comments are due December 11th.

IRS Updates Commercial Clean Vehicle Credits FAQs. IRS updated its [frequently asked questions](#) (FAQs) related to new, previously owned, and qualified commercial clean vehicle credits.

##



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Alternate
Town of Corte Madera

December 4, 2023

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

Subject: Marin Transit Quarterly Performance Report for the First Quarter of FY 2023/24

Dear Board Members:

Recommendation

Accept report.

Summary

As part of the District's service monitoring process, staff have prepared a quarterly performance report. Attached is the report for the first quarter of FY 2023/24.

The quarterly report provides route-level statistics and performance measures with financial data and an in-depth analysis of trends. The report discusses any relevant external factors such as weather, operator shortages, and service changes.

Additional detailed analyses of system performance and trends are provided in an annual system performance report. This report is available on the District's website at <https://marintransit.org/service-performance-and-reports> in addition to the monthly reports.

Fiscal/Staffing Impact

None.

Respectfully Submitted,

Asher Butnik
Transit Planner



Attachment A: Quarterly Performance Report for FY 2023/24 Q1

Attachment B: FY 2024 Q1 (July – September) Marin Transit Outreach and Travel Training



Quarterly Performance Report for FY 2023/24 Q1

This report summarizes the operational performance of Marin Transit services for the first quarter of FY 2023/24 from July 1, 2023 through September 30, 2023. The Quarterly Performance Report provides detailed route-level statistics, analyzes trends, and evaluates performance measures established under Measure A and Measure AA.

Report Format

The data presented in this report is generated directly from TransTrack, Marin Transit's data management system. TransTrack enables Marin Transit to consolidate and analyze all operational data from the District's transit programs and contractors in one system. TransTrack reports all costs associated with service operations, not just contractor costs. This reporting format most accurately represents the District's actual costs of providing service.

Route performance is presented relative to typology-based targets. The Board updated the targets on April 2, 2018, as part of a larger performance monitoring plan update. These typology-based targets aim to match routes and service levels to the markets they are intended to serve. All performance and financial data are consistent with the District's reporting for the National Transit Database.

Performance Goals

Performance goals at the route level are measured in both productivity (unlinked passengers per hour and per trip) and cost-effectiveness (subsidy per unlinked passenger trip). Table 1 below summarizes route level performance goals by typology. Note that there are currently no productivity or cost-effectiveness goals identified for the Yellow Bus program.

Marin Transit undertook a major service change on June 11, 2023 and a change to Marin Access programs on July 1, 2023. For routes that were modified during the June 11th service change, this report examines the route-level changes this quarter to ensure that the service change did not have any unexpected consequences on ridership and riders' mobility. Due to the nature of Marin Access services, including the time it takes riders to enroll and learn about the new program rules, it is too early to evaluate the success of the Marin Access program changes, and this report will refrain from commenting on how those changes may have affected ridership. Staff will provide an update on Marin Access ridership in light of the program changes later this fiscal year.

**Table 1: Productivity and Subsidy Goals by Service Typology**

Service Typology	Routes	Unlinked Passenger Trips per Hour (at or above)	Subsidy per Passenger Trip (at or below)
Local Trunkline	35, 36, 71	20	\$5.00
Regular Local	17, 22, 23, 29, 49, 57	18	\$7.25
Local Connector	219, 228, 233, 245	8	\$10.00
Supplemental	613, 619, 625, 654	20 per trip	\$3.25
Rural	61, 68	6	\$13.25
Recreational	66 (Muir Woods Shuttle)	25	\$3.25
Demand Response	Local Paratransit, Marin Access Shuttles	2	\$38.50

Performance Summary

In the first quarter of FY 2023/24, Marin Transit carried a total of 744,649 passengers systemwide. This represents a ridership increase of 4% compared to the first quarter of the previous fiscal year and is 13% lower than pre-pandemic ridership (Q1 FY2019/20).

On fixed route transit services, Marin Transit carried 713,325 riders. This is an increase of 5% compared to the first quarter of FY 2022/23. The Yellow Bus program carried 14,915 passengers. This represents a decrease of 14% compared to the first quarter of the previous fiscal year. Marin Access services carried 16,409 trips on demand response and mobility management programs. This reflects a decrease of 17% compared to the first quarter of the last fiscal year. The tables at the end of this report provide a breakdown of all route-level statistics.

Local Trunkline (Routes 35, 36, and 71)

In the first quarter of FY 2023/24, Local Trunkline services carried 331,361 passengers. This represents an increase of 9% compared to the first quarter of the prior fiscal year. Route 35 had an average of 30 passengers per revenue hour, meeting the productivity target of 20 passengers per revenue hour. No other Local Trunkline route met the productivity target, and no Local Trunkline route met the subsidy target of \$5.00 per passenger. Local Trunkline service accounted for 31% of fixed route service in revenue hours and 46% of fixed route ridership in the first quarter of FY 2023/24.

As part of the June 11th service change, the Route 35 alignment was changed to terminate in Terra Linda instead of Novato on the northern end, and the Route 71 schedule was changed to have more frequent midday service. Route 35 saw ridership decline 6% compared to the first quarter of the prior year, which is due to the fact that it no longer serves Novato, and its former Novato riders are now largely taking Routes 49 or 71. Its productivity increased 8% compared to the prior year. Route 71, by contrast, saw ridership increase by 41% compared to the prior year, which allowed productivity to grow 10% even though significant service (revenue hours) was added to the route. Some of these new riders were likely previously taking Route 35, and this indicates that passengers are successfully utilizing the new routes they need to take as part of the service change.



Local Basic (Routes 17, 22, 23, 29, 49, and 57)

Local Basic services carried a total of 273,459 passengers during the first quarter of this fiscal year. This represents an increase of 26%¹ compared to the first quarter of the prior fiscal year. No Local Basic route met the performance target of 18 passengers per revenue hour nor the subsidy target of \$7.25 per passenger. Local Basic routes represented 43% of fixed route revenue hours and 38% of fixed route ridership in the first quarter of FY 2023/24.

As part of the June 11th service change, Route 23X was consolidated with Route 23, Route 57 was created as a combination of Local Connector Routes 251 and 257, and routing and scheduling changes were made to Routes 22, 29, and 49. Ridership on Route 23 increased by 35% from the first quarter of the prior year, which indicates that passengers who formerly used Route 23X are successfully making their journeys on Route 23 instead. When compared to the combined ridership of Routes 23 and 23X last year, ridership on Route 23 increased by 3%. Route 57 did not exist last year, but when compared to the combined ridership of former Routes 251 and 257, ridership on Route 57 decreased by 9%. This is likely due to two reasons: first, Route 57 heavily serves school trips, and Q1 FY24 had 16% fewer school days than Q1 FY23 due to school starting a week later; and second, as part of the service change, service to western Novato/San Marin was moved from Route 251/57 to Route 49. Ridership on Route 49 increased by 34% compared to the first quarter of the prior fiscal year, which indicates that passengers switching from the former alignments of Routes 35 and 251/57 are successfully making their way to their destinations.

The changes on Route 22 were fairly minor, and ridership increased by 11% from the prior year, which is slightly ahead of the systemwide average and indicates that the changes did not negatively affect ridership. Route 29 experienced a significant re-routing during the June service change, no longer serving the Canal and instead now serving parts of Corte Madera that were previously only served by Supplemental School service. Ridership on Route 29 decreased by 73% compared to the first quarter of FY 2022/23. However, due to the significantly different nature of the new Route 29, a year-over-year comparison is not entirely appropriate. Staff are also updating the timings on Route 29 for the January sign-up to better meet school trip needs, and this will likely increase ridership.

Local Connector (Routes 219, 228, 233, and 245)

During the first quarter of the fiscal year, Local Connector services carried 47,813 total passengers. This represents a decrease of 40%² from the first quarter of the last fiscal year. Note that, as part of the June 11th service change, Routes 251 and 257 were combined into Route 57, which was classified as a Local Basic route; all remaining Local Connector routes experienced increases in ridership from the prior year. All Local Connector services except for Route 228 met the productivity target of 8 passengers per revenue hour, but none met the subsidy target of \$10.00 per passenger. Local Connector routes accounted for 12% of fixed route service in revenue hours and provided 7% of fixed route ridership in the first quarter of FY 2023/24.

¹ Excluding Route 57, which makes up service that was previously categorized as Local Connector Routes 251 and 257, Local Basic ridership increased by 10% compared to the prior year.

² Including Route 57, which makes up service that was previously categorized as Local Connector Routes 251 and 257, Local Connector ridership **increased** by 2% compared to the prior year.



Supplemental School (Routes 613, 619, 625, and 654)

Supplemental School routes carried 5,779 passengers in the first quarter of FY 2023/24. This represents a 57% decrease from the first quarter of the prior fiscal year. Routes 625 and 654 had an average of 28 and 23 passengers per trip, respectively, meeting the productivity target of 20 passengers per trip. No other Supplemental School routes met the productivity target, and none met the subsidy target of \$3.25 per passenger. Supplemental School routes accounted for less than 1% of fixed route service in revenue hours and provided 1% of fixed route ridership in the first quarter of FY 2023/24.

The significant decrease in Supplemental School ridership relative to the prior year is due to two factors: first, as part of the June 11th service change, much of the service that historically took place on Supplemental School routes was transferred to local service, including the cancellation of Routes 645 and 651; and second, there were 16% fewer school days in this quarter compared to the prior year due to schools starting a week later.

Rural (West Marin Stagecoach Routes 61 and 68)

In the first quarter of the fiscal year, the two Stagecoach routes carried 24,082 passengers. This represents a 6% decrease from the first quarter of the prior fiscal year. Both routes had an average of 6 passengers per revenue hour, meeting the productivity target of 6 passengers per revenue hour. Neither route met its subsidy goal of \$13.25 per passenger. Stagecoach routes accounted for 8% of fixed route service in revenue hours, and ridership represented 3% of fixed route ridership in the first quarter of FY2023/24.

As part of the June 11th service change, all Route 23 trips were extended out to Manor, whereas previously only select trips on Routes 23 and 23X extended to Manor. The decrease in ridership on Rural routes relative to Q1 FY 2022/23 is likely due to former Route 68 riders going to/from Manor now taking the more-frequent Route 23. Relative to the prior year, ridership on Route 61 increased by 29% this quarter, while ridership on Route 68 (the higher ridership Rural route) decreased by 20%.

Yellow Bus

In the first quarter of FY 2023/24, the Ross Valley School District yellow bus service carried 14,915 passengers. This represents a decrease of 14% compared to the first quarter of the prior year, which is comparable to the 16% reduction in school days. This program has no established service targets.

Recreational (Muir Woods Shuttle)

For the first quarter of FY 2023/24, the Muir Woods Shuttle ran daily service prior to August 11th and weekend/holiday only service starting on August 12th. In this quarter, the Muir Woods Shuttle carried 30,831 passengers. This represents a decrease of 13% from the first quarter of FY 2022/23. The Shuttle did not meet its productivity goal of 25 passengers per revenue hour nor its subsidy goal of \$3.25 per passenger. The Muir Woods Shuttle accounted for 5% of fixed route service in revenue hours, and ridership represented 4% of fixed route ridership in the first quarter of FY2023/24.

Marin Access

In the first quarter of FY 2023/24, Marin Access offered ADA-paratransit service, the Marin Access Shuttles program (which includes the former Rural Dial-a-Ride program for Dillon Beach/Tomales and Point Reyes Station), the Volunteer Driver program, and the new Catch-a-Ride pilot program. Marin Access underwent a service change on July 1, 2023 that included cancellation of the former Novato Dial-



a-Ride and Marin Transit Connect programs in order to replace them with an expanded Catch-a-Ride program. Due to the nature of Marin Access programs, including enrollment time and passenger training, it is still too early to evaluate the success of the July 1st changes. This report will refrain from commenting on how the July 1st changes may have affected Marin Access ridership this quarter. Staff will instead prepare a Marin Access program performance update later this fiscal year to assess the initial success of the program changes.

In the first quarter of FY 2023/24, local paratransit carried 11,914 passengers. The service productivity average of 1.9 passengers per hour did not meet the 2.0 standard. The number of passengers represents a 17% decrease in ridership compared to the prior fiscal year. The service did not meet the subsidy target of \$38.50 per passenger.

Marin Access Shuttles carried 188 passengers this quarter. The service productivity average of 1.4 passengers per hour did not meet the 2.0 standard. The service did not meet the subsidy target of \$38.50 per passenger.

The Volunteer Driver Program completed 2,640 trips in the first quarter of FY 2023/24. This represents a 12% increase compared to the previous fiscal year.

The Catch-a-Ride pilot program provided 1,667 one-way trips. This represents an increase of 76% compared to the prior year. The strong increase in Catch-a-Ride ridership suggests Marin Access riders who formerly used the Connect and Novato Dial-a-Ride programs are likely finding the new Catch-a-Ride pilot meets their needs instead.

Community Engagement

Staff perform various activities on an ongoing basis to engage the community and share information about Marin Transit and Marin Access programs and services. In the first quarter, the focus of these efforts was on continuing to establish and grow our relationships with community partners to improve our ability to connect with riders and the general public. There was also a significant focus on providing information about recent service changes on fixed route and Marin Access programs and services. Events were held in various formats, at various locations, and on varying days and times to meet the needs of the community. The attached report outlines our community engagement initiatives for various target audiences, including community members, fixed route riders, and Marin Access riders.

In the first quarter of FY 2023/24, staff successfully completed six events, including two events that focused on engaging the community as a whole in various areas of the County and four events that specifically targeted Marin Access populations. Most events had Spanish translation services available. In total, staff reached over 3,200 community members. In Q1, our reach was significantly increased in comparison to the same period of FY 2022/23, due to participation in two key events, the Marin County Senior Fair and the TAM Clean Fleet Expo.

Ridership Trends

The District continues to experience strong ridership; all services have resumed and ridership is at 87% of pre-pandemic levels. However, ridership recovery has not been spread evenly across Marin Transit programs. Fixed route ridership recovery was swift and has remained strong; fixed route services reached 90% of pre-COVID ridership in the third quarter of FY 2022/23, where it has stayed for three quarters consecutively. Marin Access services by contrast were at only 38% of pre-COVID ridership levels this quarter. The first quarter of the prior fiscal year, Marin Access ridership had plateaued at around



half of pre-pandemic, but then started to decline. Marin Transit staff are optimistic that the restructuring of Marin Access programs, which took effect on July 1, 2023, will have a positive effect on Marin Access ridership and mobility of seniors and people with disabilities in the long term.

This quarter, Marin Transit experienced slow ridership growth compared to the national average. According to the National Transit Database, in the first quarter of FY 2023/24, nationwide bus ridership was 9% higher than the prior year, compared to Marin Transit's 5% increase over the prior year for fixed route services. However, Marin Transit is still doing much better than the national average compared to pre-COVID ridership. District ridership has recovered from the COVID-19 pandemic more quickly than most other transit providers. From the FY 2020/21 Q4 report through the FY 2022/23 Q2 report, Marin Transit consistently reported higher year-over-year ridership growth than the national average.

Marin Transit continues to have one of the strongest ridership recoveries in the Bay Area at 90% for fixed route services, and one of the strongest in the country when comparing to pre-COVID levels (the national average is 73%). Compared to other North Bay transit agencies, Marin Transit fixed route services continue to perform well. In the first quarter of FY 2023/24, Golden Gate Transit carried 374,460 passengers on its fixed route bus service, representing roughly half of Marin Transit's fixed route ridership (713,325), while SMART carried 206,456 passengers. Golden Gate Transit experienced an 8% increase in fixed route bus ridership in this quarter compared to the first quarter of FY2022/23, bringing overall recovery to 46% of pre-COVID ridership. SMART experienced a 46% increase in ridership compared to the first quarter of last year, bringing overall recovery to 108% of pre-COVID ridership.

Other Bay Area transit agencies that provide local transit services experienced a wide variety of ridership growth trends in the first quarter of FY 2023/24. Comparing to other Countywide peer agencies, Napa Valley Transportation Authority (VINE), SamTrans, and Solano County Transit (SolTrans) experienced a 4%, 16%, and -7% increase in ridership, respectively, relative to the first quarter of FY 2022/23, bringing their ridership relative to pre-COVID to 50%, 84%, and 73%, respectively.

Demand for Marin Access mobility management and demand response programs was 17% lower during the first quarter of FY 2023/24 compared to the first quarter of the prior year. This is the fourth consecutive quarter where ridership on demand response services was lower than the same quarter of the prior year. Even with vaccines, seniors and people with disabilities remain more susceptible to severe effects from COVID than the general population and continue to be more cautious with their travel and activities. In addition, day programs are not holding as much in person programming as before the pandemic.

Marin Transit implemented a suite of changes to Marin Access programs that started on July 1, 2023. These changes were designed to improve reliability of the services, stabilize ridership, and increase interest in and use of the programs. It remains to be seen whether demand response ridership will continue to stagnate, or whether recovery will pick up following these changes.

Table 2 below compares several other factors and qualitatively evaluates their potential impact on ridership.

**Table 2: Factors Impacting Ridership Comparison**

Factor		FY 2022/23 Q1	FY 2023/24 Q1	Impact
Days Operated	Weekdays	64	63	--
	School Days	31	26	▼▼
	Weekends & Holidays	28	29	--
	Muir Woods Shuttle	58	58	--
Service Disruptions (cancelled/missed service)		466	386	▲▲
Rainfall (inches)		0.8	0	▲
Average Gas Prices		\$5.54	\$5.16	▼

Due to the national labor shortage, Marin Transit's contractor operators have had difficulty hiring new drivers, which led to a significant amount of missed service in the prior fiscal year. The service change implemented on June 11th, 2023, was designed to reduce the number of driver shifts necessary to operate service, in an attempt to reduce the amount of missed service. The reduction in missed service for this quarter compared to the prior year demonstrates that the June 11th service changes were successful in that goal.

Fixed-Route

Fixed-Route Passenger Statistics by Route

Typology	Route	Passengers	%Change*	Revenue Hours	%Change*	Productivity (pax/hr)	Change*
1. Local Trunkline	35	146,629	▼6.4%	4,958	▼13.2%	29.6	▲2.2
	36	71,813	▲5.9%	3,762	▲10.9%	19.1	▼0.9
	71	112,919	▲41.0%	6,074	▲28.4%	18.6	▲1.7
	Rollup	331,361	▲8.8%	14,794	▲6.9%	22.4	▲0.4
2. Local Basic	17	52,119	▲7.9%	3,740	▲0.3%	13.9	▲1.0
	22	44,523	▲11.4%	3,426	▲1.9%	13.0	▲1.1
	23	62,594	▲34.6%	3,625	▲29.8%	17.3	▲0.6
	29	2,751	▼72.8%	606	▼7.8%	4.5	▼10.9
	49	77,905	▲33.5%	5,139	▲29.1%	15.2	▲0.5
	57	33,567		3,827		8.8	
	Rollup	273,459	▲25.6%	20,363	▲34.0%	13.4	▼0.9
3. Local Connector	219	9,975	▲18.3%	1,312	▼16.2%	7.6	▲2.2
	228	17,033	▲10.3%	2,371	▼0.5%	7.2	▲0.7
	233	9,624	▲4.5%	1,077	▲1.0%	8.9	▲0.3
	245	11,181	▲10.4%	1,095	▲1.3%	10.2	▲0.8
	Rollup	47,813	▼40.3%	5,854	▼43.9%	8.2	▲0.5
4. Supplemental	613	1,896	▼58.9%	62	▼45.7%	30.5	▼9.8
	617	0		0			
	619	1,830	▼19.7%	89	▼15.6%	20.5	▼1.0
	625	1,461	▲28.6%	42	▼15.7%	34.5	▲11.9
	649	0		0			
	654	592	▼24.3%	27	▼20.3%	22.1	▼1.2
	Covid	0		0			
	Rollup	5,779	▼57.2%	221	▼56.4%	26.2	▼0.5
5. Rural	61	9,191	▲29.2%	1,595	▲2.9%	5.8	▲1.2
	68	14,891	▼19.7%	2,456	▼6.8%	6.1	▼1.0
	Rollup	24,082	▼6.1%	4,050	▼3.2%	5.9	▼0.2
6. Partnership Services	122	0		0			
	Rollup	0		0			
7. Yellow Bus	Hdn Valley	2,228	▲7.5%	28	▼20.0%	79.6	▲20.4
	White Hill	12,687	▼16.4%	160	▼21.0%	79.4	▲4.4
	Rollup	14,915	▼13.5%	188	▼20.9%	79.4	▲6.7
8. Recreational	66	30,831	▼12.8%	2,552	▲8.0%	12.1	▼2.9
	Rollup	30,831	▼12.8%	2,552	▲8.0%	12.1	▼2.9
Rollup	728,240	▲4.9%	48,022	▲2.7%	15.2	▲0.3	

* Change compared to same quarter of prior year

Fixed-Route

Fixed-Route Financial Statistics by Route

Typology	Route	Operating Cost	%Change*	Passenger Revenue	%Change*	Average Subsidy	Change*	Farebox Recovery	Change*
1. Local Trunkline	35	\$952,267	▼3.8%	\$87,773	▼42.9%	\$5.90	▲\$0.56	9.2%	▼6.3%
	36	\$740,558	▲25.9%	\$45,294	▼35.2%	\$9.68	▲\$2.03	6.1%	▼5.8%
	71	\$1,227,179	▲38.9%	\$77,445	▼14.4%	\$10.18	▲\$0.28	6.3%	▼3.9%
	Rollup	\$2,920,003	▲18.6%	\$210,512	▼33.0%	\$8.18	▲\$1.12	7.2%	▼5.5%
2. Local Basic	17	\$612,864	▲9.2%	\$56,330	▲6.2%	\$10.68	▲\$0.16	9.2%	▼0.3%
	22	\$554,387	▲11.2%	\$54,824	▲13.2%	\$11.22	▼\$0.04	9.9%	▲0.2%
	23	\$700,475	▲49.4%	\$40,333	▼16.7%	\$10.55	▲\$1.51	5.8%	▼4.6%
	29	\$119,831	▲6.4%	\$2,029	▼82.4%	\$42.82	▲\$32.83	1.7%	▼8.5%
	49	\$851,595	▲40.8%	\$73,755	▲36.3%	\$9.98	▲\$0.54	8.7%	▼0.3%
	57	\$627,112		\$31,121		\$17.76		5.0%	
	Rollup	\$3,466,264	▲46.7%	\$258,392	▲13.1%	\$11.73	▲\$1.93	7.5%	▼2.2%
3. Local Connector	219	\$217,932	▼7.6%	\$10,486	▼1.1%	\$20.80	▼\$5.92	4.8%	▲0.3%
	228	\$386,181	▲10.8%	\$19,983	▲9.1%	\$21.50	▲\$0.12	5.2%	▼0.1%
	233	\$175,090	▲12.5%	\$9,350	▼1.9%	\$17.22	▲\$1.36	5.3%	▼0.8%
	245	\$180,307	▲11.3%	\$9,888	▲2.8%	\$15.24	▲\$0.19	5.5%	▼0.5%
	Rollup	\$959,510	▼38.1%	\$49,707	▼41.5%	\$19.03	▲\$0.75	5.2%	▼0.3%
4. Supplemental	613	\$25,617	▼10.9%	\$440	▼75.4%	\$13.28	▲\$7.44	1.7%	▼4.5%
	617	\$0		\$0					
	619	\$37,986	▲35.5%	\$394	▼75.2%	\$20.54	▲\$8.93	1.0%	▼4.6%
	625	\$17,272	▲39.8%	\$390	▼43.2%	\$11.56	▲\$1.29	2.3%	▼3.3%
	649	\$0		\$0					
	654	\$10,035	▲27.9%	\$125	▼72.5%	\$16.74	▲\$7.29	1.2%	▼4.5%
	Covid	\$0		\$0					
	Rollup	\$90,910	▼29.1%	\$1,349	▼80.8%	\$15.50	▲\$6.53	1.5%	▼4.0%
5. Rural	61	\$258,389	▲10.0%	\$5,045	▼20.2%	\$27.56	▼\$4.57	2.0%	▼0.7%
	68	\$392,812	▼2.2%	\$7,419	▼47.4%	\$25.88	▲\$4.98	1.9%	▼1.6%
	Rollup	\$651,200	▲2.3%	\$12,464	▼39.0%	\$26.52	▲\$2.50	1.9%	▼1.3%
6. Partnership Services	122	\$0		\$0					
	Rollup	\$0		\$0					
7. Yellow Bus	Hdn Valley	\$21,371	▲18.7%	\$15,439	▲73.7%	\$2.66	▼\$1.74	72.2%	▲22.9%
	White Hill	\$121,277	▲16.6%	\$88,544	▲36.0%	\$2.58	▲\$0.02	73.0%	▲10.4%
	Rollup	\$142,648	▲16.9%	\$103,983	▲40.6%	\$2.59	▼\$0.19	72.9%	▲12.3%
8. Recreational	66	\$686,695	▲97.7%	\$700	▼99.3%	\$22.25	▲\$15.24	0.1%	▼28.6%
	Rollup	\$686,695	▲97.7%	\$700	▼99.3%	\$22.25	▲\$15.24	0.1%	▼28.6%
Rollup	\$8,917,231	▲17.2%	\$637,108	▼23.1%	\$11.37	▲\$1.60	7.1%	▼3.7%	

* Change compared to same quarter of prior year

Marin Access

Marin Access Passenger Statistics by Service

Typology	Route	Passengers	%Change*	Revenue Hours	%Change*	Productivity (pax/hr)	Change*
9. Demand Response	Local Para	11,914	▼16.7%	6,432	▼13.0%	1.9	▼0.1
	MA Shuttle	188		133		1.4	
	MTC	0	▼100.0%	0	▼100.0%		
	Reg Para	1,052	▼2.5%	1,012	▲4.2%	1.0	▼0.1
	Rollup	13,154	▼24.8%	7,578	▼16.3%	1.7	▼0.2
Catch-A-Ride	CAR_Taxi	1,247		0			
	CAR_TNC	420		0			
	Rollup	1,667	▲75.8%	0			
Volunteer Driver	VoIDrvr	2,135	▲12.0%	2,848	▲17.9%	0.7	▼0.0
	VoIDvrWM	505	▲14.5%	1,029	▲26.8%	0.5	▼0.1
	Rollup	2,640	▲12.4%	3,876	▲20.1%	0.7	▼0.0
Rollup	17,461	▼16.0%	11,454	▼6.7%	1.5	▼0.2	

Marin Access Financial Statistics by Service

Typology	Route	Operating Cost	%Change*	Passenger Revenue	%Change*	Average Subsidy	Change*	Farebox Recovery	Change*
9. Demand Response	Local Para	\$1,372,129	▲4.4%	\$22,130	▼35.8%	\$113.31	▲\$23.74	1.6%	▼1.0%
	MA Shuttle	\$21,847		\$463		\$113.74		2.1%	
	MTC	\$0	▼100.0%	\$0	▼100.0%				
	Reg Para	\$228,326	▲42.4%	\$16,546	▲9.5%	\$201.31	▲\$66.71	7.2%	▼2.2%
	Rollup	\$1,622,302	▼4.7%	\$39,140	▼34.4%	\$120.36	▲\$26.50	2.4%	▼1.1%
Catch-A-Ride	CAR_Taxi	\$53,278		\$1		\$42.72		0.0%	
	CAR_TNC	\$11,775		\$0		\$28.04		0.0%	
	Rollup	\$65,053	▼0.3%	\$1	▼100.0%	\$39.02	▼\$25.73	0.0%	▼6.0%
Volunteer Driver	VoIDrvr	\$23,392	▼19.3%	\$0		\$10.96	▼\$4.24	0.0%	-
	VoIDvrWM	\$10,715	▼2.0%	\$0		\$21.22	▼\$3.57	0.0%	-
	Rollup	\$34,107	▼14.5%	\$0		\$12.92	▼\$4.08	0.0%	-
Rollup	\$1,721,462	▼4.8%	\$39,141	▼38.4%	\$96.35	▲\$12.50	2.3%	▼1.2%	

* Change compared to same quarter of prior year

Systemwide Total

Systemwide Passenger Statistics Summary

	Passengers	%Change*	Revenue Hours	%Change*	Productivity (pax/hr)	Change*
Values	745,701	▲4.3%	59,476	▲0.7%	12.5	▲0.4

Systemwide Financial Statistics Summary

	Operating Cost	%Change*	Passenger Revenue	%Change*	Average Subsidy	Change*	Farebox Recovery	Change*
Values	\$10,638,693	▲13.0%	\$676,248	▼24.2%	\$13.36	▲\$1.44	6.4%	▼3.1%

* Change compared to same quarter of prior year

FY 2024 Q1 (July - August) Marin Transit Community Engagement

Reporting Month: July 2023

Date(s)	Event	Description	Contacts
07/13/2023	Marin Access Navigating Transit Presentation at Parnow Friendship House	Navigating Transit presentation to residents of Parnow Friendship House. The presentation was staffed by MCTD staff. Information was presented in English.	13
7/26/2023	Marin Access General Outreach for the Age Friendly Forum.	Navigating Transit presentation for the Age Friendly Forum. MCTD was part of a virtual panel along with Age Friendly staff and representatives from the Marin County Bike Coalition. Information was presented in English.	15

Reporting Month: August 2023

Date(s)	Event	Description	Contacts
<i>There were no community engagement events in August.</i>			

Reporting Month: September 2023

Date(s)	Event	Description	Contacts
09/11/2023	Marin County Senior Fair	MCTD sponsored the Marin County Senior Fair at the platinum level and hosted a double booth. Attendees could pick up Marin Access flyers, Marin Transit Rider's Guides, and various giveaway items. Attendees also had the opportunity to sign up for Marin Access on-site. Staff at all levels attended the event and were available to assist riders, potential riders, and our community partners in both English and Spanish.	3,000

FY 2024 Q1 (July - August) Marin Transit Community Engagement

9/12/2023	TAM Clean Fleet Expo	MCTD staff participated in the TAM Clean Fleet Expo. Staff hosted a booth and had a bus on-site that attendees could board and take a look at.	150
9/13/2023	Marin Community Clinic Staff Update Presentation	MCTD staff made a presentation to staff of Marin Community Clinic to provide updates on recent Marin Access program changes.	9
9/18/2023	Leadership Novato Presentation	MCTD staff made a presentation to participants in the Leadership Novato program to familiarize them with programs and services offered by Marin Transit. This is an event Marin Transit staff participates in on an annual basis.	25



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December 4, 2023

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

Subject: Marin County Transit District First Quarter FY 2023/24 Financial Report

Dear Board Members:

Recommendation

Accept report and approve associated budget amendments.

Summary

The quarterly report is an opportunity for your Board to review the District's financial status and to provide fiscal and operational accountability. This report represents all financial transactions for the District through the first quarter of Fiscal Year 2023/24 and requests your approval of budget amendments 2024-01 and 2024-02.

Background

Unaudited revenues and expenditures are shown on a full accrual basis consistent with Generally Accepted Accounting Principles (GAAP) for special districts. All known revenues and expenditures for the period are reported even if they have not been received or are awaiting payment. These include recorded estimates for property tax and other significant transactions.

Discussion

First quarter operations and capital expenses and revenues were consistent with the Board-adopted budget (Attachment A). Capital expenditures were less than 50% of the capital budget due to timing of vehicle purchases scheduled for delivery in December and January.

Transit Operating Expenses

FY 2023/24 transit operating expenditures through the first quarter (Attachment A, Page 1) are \$10.7 million, which is 25 percent of the annual budget of \$42.9 million. With these expenditures, Marin Transit delivered 26 percent of budgeted fixed route service hours and 18 percent of budgeted local paratransit service hours as identified in Table 1.



Transit Operating Revenues

Marin Transit’s FY2023/24 operating revenues through the first quarter (Attachment A, Page 1) are \$10.6 million or 24 percent of the annual budget of \$43.9 million.

Capital Budget

Through the first quarter, Marin Transit’s expenditures in the Capital Budget (Attachment A, Page 1) were \$402,000 or 2% percent of the \$16.6 million budget. Capital revenues typically tie closely to expenditures as they tend to be on a reimbursement basis. This is not true this fiscal year due to the planned expenditure of capital reserve funds for facility projects. Attachment C includes a complete Capital Report for all major Marin Transit capital projects for the current period.

Table 1: FY2023/24 Year to Date (YTD) thru First Quarter Service Operations

Service	Budgeted Annual Revenue Hours	YTD thru Q1 Actual Revenue Hours	% of Annual
Regular Local and Trunk Line	121,000	35,157	29%
Community Shuttles	39,700	5,854	15%
School Supplemental Service	1,725	221	13%
Muir Woods Shuttle	6,500	2,552	39%
West Marin Stagecoach Service	16,500	4,051	25%
Fixed Route Subtotal	185,425	47,834	26%
Marin Access Shuttles	400	133	33%
Local Paratransit Service	36,000	6,440	18%
Regional Paratransit Service	5,000	1,012	20%
Yellow School Bus Service	4 buses	4	-
Service	Annual Estimated Trips	YTD thru Q1 Actual Trips	% of Annual
Catch A Ride	4,000	1,667	42%
Volunteer Driver	9,500	2,640	28%

Source: Marin Transit

Fiscal/Staffing Impact

Staff recommends that your Board approve Budget Amendments 2024-01 and 2024-02 (Attachment B). Amendment 2024-01 adjusts the current year capital budgets based on the FY2022/23 actuals to retain the total project budgets. The amendment increases FY2023/24 capital expenses by \$468,484. The shift of costs between fiscal years does not change the multi-year capital costs of the projects.



Amendment 2024-02 adds additional federal grant funding that was awarded and the associated local match to the 3010/3020 Kerner project.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Karina Sawin".

Karina Sawin
Accounting Manager

Attachment A: FY2023/24 First Quarter Financial Report

Attachment B: FY2023/24 Budget Amendments

Attachment C: Capital Projects Report

Marin Transit
 FY2023/24 Q1 Budget Report
 From 7/1/2023 Through 09/30/2023

(In Whole Numbers)

	FY23 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
Revenue					
Vehicle Operations	37,990,774	43,865,464	43,865,464	10,604,812	0
Capital	7,325,565	14,447,657	14,217,805	446,915	0
Total Revenue	<u>45,316,339</u>	<u>58,313,121</u>	<u>58,083,268</u>	<u>11,051,727</u>	<u>0</u>
Expenses					
Vehicle Operations	37,104,214	42,939,813	42,939,813	10,746,142	0
Capital	7,347,763	16,347,653	16,631,736	402,826	0
Total Expenses	<u>44,451,977</u>	<u>59,287,466</u>	<u>59,571,549</u>	<u>11,148,968</u>	<u>0</u>
Expenditures	<u>44,451,977</u>	<u>49,220,186</u>	<u>59,571,549</u>	<u>11,148,968</u>	<u>0</u>
Net Revenue Over Expenditures	<u>864,362</u>	<u>(974,345)</u>	<u>(1,488,281)</u>	<u>(97,241)</u>	<u>0</u>

Marin Transit
FY2023/24 Q1 Budget Report
From 7/1/2023 Through 09/30/2023

Operations Summary - Admin, Local, Rural, Marin Access, Yellow Bus

	FY23 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
Fare Revenue	3,359,930	3,367,118	3,367,118	725,900	21.56%
Advertising & Other Revenue	235,790	60,000	60,000	12,082	20.14%
Fee for Service	1,336,976	1,441,552	1,441,552	382,244	26.52%
Interest	285,133	90,700	90,700	208,335	229.70%
Measure A	900,490	942,869	942,869	942,866	100.00%
Measure AA	9,403,780	17,703,716	17,703,716	3,558,731	20.10%
Measure B	825,310	895,000	895,000	154,519	17.26%
Property Taxes	5,615,424	5,682,781	5,682,781	1,709	0.03%
Redevelopment Area (RDA) Fees	90,392	67,500	67,500	-	0.00%
State Transit Assistance (STA)	3,021,660	5,158,794	5,158,794	1,324,173	25.67%
Transit Development Act (TDA)	10,909,658	7,881,923	7,881,923	1,970,481	25.00%
Other State	25,419	32,300	32,300	977	3.02%
FTA Funds	5,421,507	1,681,360	1,681,360	1,019,369	60.63%
National Park Service	521,983	655,985	655,985	303,426	46.26%
Cost Center Revenue Transfers	(3,962,680)	(1,796,134)	(1,796,134)	-	0.00%
Total Revenue	<u>37,990,772</u>	<u>43,865,464</u>	<u>43,865,464</u>	<u>10,604,812</u>	24.18%
Salaries and Benefits	3,015,440	3,523,449	3,523,449	852,338	24.19%
Consultant Services	369,148	654,585	654,585	230,013	35.14%
Professional Service-Legal	35,708	150,000	150,000	3,288	2.19%
Security and Maintenance	236,725	272,628	272,628	49,884	18.30%
Customer Service	126,842	-	-	-	0.00%
Mobility Management Support Programs	3,873	63,113	63,113	730	1.16%
Grants to External Agencies	514,606	758,571	758,571	-	0.00%
Office Supplies	342,750	398,997	398,997	190,768	47.81%
Covid Cleaning and Supplies	3,709	-	-	-	0.00%
General Insurance	104,159	122,000	122,000	107,396	88.03%
Contract Service Operation	29,349,517	32,701,974	32,701,974	8,385,941	25.64%
Membership & Prof Development	68,339	88,065	88,065	39,349	44.68%
Mileage and Travel	16,094	25,750	25,750	2,687	10.43%
Marketing	127,998	167,483	167,483	34,314	20.49%
Communication	189,448	255,623	255,623	60,010	23.48%
Fuel	2,902,027	3,662,108	3,662,108	768,006	20.97%
Utilities	55,362	68,032	68,032	10,825	15.91%
Vehicle Leases	26,210	32,556	32,556	5,426	16.67%
Office - Rental and Overhead	-	189,479	189,479	46,548	24.57%
Cost Center Transfers	(383,741)	(194,600)	(194,600)	(41,382)	21.27%
Total Expenses	<u>37,104,214</u>	<u>42,939,813</u>	<u>42,939,813</u>	<u>10,746,141</u>	25.03%
Net Revenue Over Expenditures	<u>886,558</u>	<u>925,651</u>	<u>925,651</u>	<u>(141,329)</u>	-15.27%

Marin Transit
 FY2023/24 Q1 Budget Report
 From 7/1/2023 Through 09/30/2023

<i>Detail - Administration</i>		FY23 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
Revenue						
Interest	4070400	285,133	90,700	90,700	208,335	229.69%
Redevelopment Fees	4079950	38,459	27,500	27,500	-	0.00%
Residual ABX 126	4079954	51,933	40,000	40,000	-	0.00%
PropTax-CurrntSecured	4080101	4,861,117	5,006,731	5,006,731	-	0.00%
County Fee-SV2557Admin Basic Tax	4080102	(62,795)	(66,950)	(66,950)	-	0.00%
Property Tax-Unitary	4080103	49,892	45,000	45,000	-	0.00%
PropTax-CurrntUnSecur	4080104	88,184	85,000	85,000	-	0.00%
Educ Rev Augm Fund-Redist	4080105	489,524	500,000	500,000	-	0.00%
PropTax-Supp CY SECR	4080106	174,652	100,000	100,000	-	0.00%
PropTax-Supp Unsecured	4080107	5,711	4,000	4,000	-	0.00%
PropTax-Redemtion	4080108	4,284	3,500	3,500	1,709	48.82%
Property Tax-Prior Unsecured	4080109	4,855	5,500	5,500	-	0.00%
National Park Service	4089901	1	150	150	-	0.00%
Local Government Payments	4090101	84,632	-	-	-	0.00%
Other State	4119940	206	300	300	-	0.00%
Total Revenue		<u>6,075,788</u>	<u>5,841,431</u>	<u>5,841,431</u>	<u>210,044</u>	<u>0</u>
Transfers						
Property Tax Transfer	4700001	(5,060,645)	(4,137,308)	(4,137,308)	(218,005)	0
Total Transfers		<u>(5,060,645)</u>	<u>(4,137,308)</u>	<u>(4,137,308)</u>	<u>(218,005)</u>	<u>0</u>
Net Revenue		<u>4,064,537</u>	<u>1,682,115</u>	<u>1,682,115</u>	<u>(7,961)</u>	<u>72.53%</u>
Expense						
Salaries	5010200	1,828,834	2,133,390	2,133,390	608,724	28.53%
Employee Benefits	5020000	1,186,605	1,390,059	1,390,059	243,614	17.52%
Consultant Services	5030301	135,533	220,000	220,000	39,736	18.06%
Professional Svcs - Legal	5030303	33,143	150,000	150,000	3,288	2.19%
Prof Svcs - Accounting and Audit	5030305	31,682	37,000	37,000	-	0.00%
Security Services	5030701	1,328	5,000	5,000	502	10.04%
Office Supplies	5049901	6,193	14,200	14,200	2,489	17.52%
Small Furn/Equip	5049902	2,115	10,000	10,000	2,936	29.35%
Software	5049903	93,803	95,000	95,000	61,989	65.25%
Copier Suppl & Srvc	5049904	7,836	10,000	10,000	1,990	19.90%
Postage	5049905	1,033	3,500	3,500	-	0.00%
Computers	5049906	22,223	23,000	23,000	2,798	12.16%
Communication - Phone	5050201	29,752	36,350	36,350	8,380	23.05%
Insurance - Gen Liability	5060301	104,159	122,000	122,000	107,396	88.02%
Membership & Prof Development	5090101	68,339	88,065	88,065	39,349	44.68%
Mileage and Travel	5090202	16,094	25,750	25,750	2,687	10.43%
Marketing	5090801	6,522	14,420	14,420	14,486	100.45%
Office Rental	5121200	16,753	189,479	189,479	46,548	1.91%
Total Expense		<u>3,591,947</u>	<u>4,567,213</u>	<u>4,567,213</u>	<u>1,186,912</u>	<u>0</u>
Transfers						
Cost Center Salary/Benefit Transfers	5100100	(2,800,830)	(3,117,902)	(3,117,902)	(871,994)	27.96%
Cost Center Transfer Overhead	5100101	(636,698)	(592,663)	(592,663)	(181,549)	30.63%
Total Transfers		<u>(3,437,527)</u>	<u>(3,710,565)</u>	<u>(3,710,565)</u>	<u>(1,053,544)</u>	<u>28.39%</u>
Total Expense		<u>154,420</u>	<u>856,648</u>	<u>856,648</u>	<u>133,368</u>	<u>15.57%</u>

Marin Transit
FY2023/24 Q1 Budget Report
From 7/1/2023 Through 09/30/2023

<i>Detail- Local</i>		FY23 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
Revenue						
Special Fares - Paid By Another Agency	5122871	497,295	566,783	566,783	67,912	11.98%
Advertising Revenue	4060301	142,601	60,000	60,000	12,081	20.13%
Lease of Property	4070301	93,189	-	-	-	0.00%
Local Government Payments	4090101	20,000	-	-	-	0.00%
Measure A Sales Tax	4092001	680,000	712,006	712,006	712,000	99.99%
Measure AA - Sales Tax	4092005	4,938,072	12,768,830	12,768,830	2,782,442	21.79%
State Transit Assistance -Population Based	4110101	1,461,660	2,598,794	2,598,794	669,173	25.74%
Transit Development Act (TDA)	4110102	10,909,658	7,881,923	7,881,923	1,970,481	25.00%
State Transit Assistance - Revenue Based	4110104	1,500,000	2,500,000	2,500,000	625,000	24.99%
SREC Credits	4119911	6,915	16,000	16,000	977	6.10%
Fed- FTA 5307 STP	4139912	239,570	40,400	40,400	284,002	0.00%
Fed-FTA 5307 CARES	4139914	3,589,664	-	-	-	0.00%
National Park Service	4139951	521,982	655,835	655,835	303,426	46.26%
Fare Revenue	4140100	<u>2,117,981</u>	<u>2,081,000</u>	<u>2,081,000</u>	<u>503,033</u>	<u>24.17%</u>
Total Revenue		26,718,587	29,881,571	29,881,571	7,930,527	26.54%
Transfers						
Property Tax Transfer	4700001	435,988	320,000	320,000	148,895	46.53%
Program Revenue Transfer	4700002	<u>72,367</u>	<u>80,000</u>	<u>80,000</u>	<u>40,000</u>	<u>50.00%</u>
Total Transfers		508,355	400,000	400,000	188,895	47.22%
Net Revenue		<u>27,226,942</u>	<u>30,281,571</u>	<u>30,281,571</u>	<u>8,119,422</u>	<u>26.81%</u>
Expense						
Consultant Services	5030301	201,942	260,000	260,000	171,459	65.94%
Fare Processing Charges	5030310	25,579	22,660	22,660	6,024	26.58%
Customer Service	5030320	126,842	-	-	-	0.00%
Bus Stop Maintenance	5030501	-	160,000	160,000	22,822	14.26%
Custodial Service	5030602	49,610	81,490	81,490	15,384	18.87%
Security Services	5030701	82,391	-	-	2,317	0.00%
Fuel	5040101	2,104,339	2,525,811	2,525,811	539,390	21.35%
Electrical Power	5040160	59,541	216,300	216,300	12,583	5.81%
Utilities (Facility)	5040180	42,814	37,132	37,132	7,581	20.41%
Small Furn/Equip	5049902	13,935	10,300	10,300	-	0.00%
Software	5049903	62,570	60,000	60,000	35,660	59.43%
COVID- Supplies and Cleaning	5049911	131	-	-	-	0.00%
Communication-MERA Radio	5050204	972	-	-	-	0.00%
Communication-AVL	5050205	106,347	143,600	143,600	14,385	10.01%
Communication-Data	5050206	2,261	14,287	14,287	438	3.06%
Purchased Transportation - In Report	5080101	21,793,060	23,798,817	23,798,817	6,432,071	27.02%
Marketing	5090801	<u>100,822</u>	<u>95,295</u>	<u>95,295</u>	<u>14,487</u>	<u>15.20%</u>
Total Expense		24,773,156	27,425,692	27,425,692	7,274,601	26.52%
Transfers						
Cost Center Salary/Benefit Transfers	5100100	2,015,664	2,325,271	2,325,271	699,240	30.07%
Cost Center Transfer Overhead	5100101	<u>435,988</u>	<u>375,989</u>	<u>375,989</u>	<u>145,582</u>	<u>38.71%</u>
Total Transfers		2,451,652	2,701,261	2,701,261	844,821	31.28%
Total Expense		<u>27,224,808</u>	<u>30,126,953</u>	<u>30,126,953</u>	<u>8,119,422</u>	<u>26.95%</u>

Marin Transit
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 From 7/1/2023 Through 09/30/2023

<i>Detail - Rural</i>	FY23 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used	
Revenue						
Measure A Sales Tax	4092001	55,080	57,672	57,672	100.00%	
Measure AA - Sales Tax	4092005	1,131,141	926,812	926,812	582,735	62.87%
Fed-FTA 5311 Rural	4139920	297,303	303,249	303,249	-	0.00%
Fed-FTA 5311 CARES	4139923	246,000	-	-	-	0.00%
Fare Revenue	4140100	71,688	80,000	80,000	11,869	14.83%
Total Revenue		<u>1,801,212</u>	<u>1,367,733</u>	<u>1,367,733</u>	<u>652,276</u>	<u>47.69%</u>
Transfers						
Property Tax Transfer	4700001	598,419	1,318,000	1,318,000	7,329	0.00%
Total Transfers		<u>598,419</u>	<u>1,318,000</u>	<u>1,318,000</u>	<u>7,329</u>	<u>0.00%</u>
Net Revenue		<u>2,399,631</u>	<u>2,685,733</u>	<u>2,685,733</u>	<u>659,605</u>	<u>24.56%</u>
Expense						
Consultant Services	5030301	23,180	16,000	16,000	-	0.00%
Fuel	5040101	296,310	322,568	322,568	92,474	28.66%
Utilities (Facility)	5040180	60	-	-	-	0.00%
Small Furn/Equip	5049902	-	5,000	5,000	-	0.00%
Communication-AVL	5050205	11,824	15,000	15,000	-	0.00%
Purchased Transportation - In Report	5080101	1,907,873	2,057,149	2,057,149	520,699	25.31%
Marketing	5090801	11,229	21,218	21,218	3,900	18.38%
Total Expense		<u>2,250,476</u>	<u>2,436,935</u>	<u>2,436,935</u>	<u>617,073</u>	<u>25.32%</u>
Transfers						
Cost Center Salary/Benefit Transfers	5100100	122,629	140,938	140,938	35,203	24.97%
Cost Center Transfer Overhead	5100101	26,525	41,751	41,751	7,329	17.55%
Total Transfers		<u>149,154</u>	<u>182,689</u>	<u>182,689</u>	<u>42,532</u>	<u>23.28%</u>
Total Expense		<u>2,399,630</u>	<u>2,619,624</u>	<u>2,619,624</u>	<u>659,605</u>	<u>25.18%</u>

Marin Transit
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<i>Detail - Marin Access</i>	FY23 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
Revenue					
Measure A Sales Tax	4092001	165,410	173,191	173,191	100.00%
Measure AA - Sales Tax	4092005	2,594,817	2,934,903	2,934,903	5.47%
Measure B	4099950	825,310	895,000	895,000	17.26%
State Transit Assistance -Population Based	4110101	60,000	60,000	60,000	50.00%
State Prop Tx Relief HOPTR	4119910	18,298	16,000	16,000	0.00%
Fed-FTA 5307 Urbanized Area Formula	4139910	1,039,640	1,061,461	1,061,461	62.95%
Fed-FTA 5310 Mobility	4139915	9,330	276,250	276,250	24.29%
Fare Revenue	4140100	203,095	170,875	170,875	39,103
GGBHTD Payment for Local Paratransit	4601003	682,849	786,640	786,640	171,920
GGBHTD Payment for Regional Paratransit	4601004	525,969	636,495	636,495	207,523
Total Revenue	6,124,718	7,010,815	7,010,815	1,672,248	23.85%
Transfers					
Property Tax Transfer	4700001	63,558	703,174	703,174	15,975
Program Revenue Transfer	4700002	(72,367)	(80,000)	(80,000)	-
Total Transfers		(8,809)	623,174	623,174	15,975
Net Revenue		6,115,909	7,633,989	7,633,989	1,688,223
Expense					
Consultant Services	5030301	8,238	85,782	85,782	2,342
Fare Processing Charges	5030310	1,403	-	-	323
Custodial Service	5030602	20,769	24,000	24,000	7,349
Security Services	5030701	-	-	-	1,150
Fuel	5040101	441,837	597,429	597,429	123,559
Utilities (Facility)	5040180	12,488	30,900	30,900	3,244
Small Furn/Equip	5049902	1,253	10,000	10,000	-
Software	5049903	130,942	156,997	156,997	82,592
COVID- Supplies and Cleaning	5049911	3,578	-	-	-
Communication-MERA Radio	5050204	25,963	27,846	27,846	33,742
Communication-Data	5050206	12,330	18,540	18,540	3,065
Purchased Transportation - In Report	5080101	4,568,889	5,525,452	5,525,452	1,141,900
Purchased Transportation - Regional	5080102	476,339	566,716	566,716	179,415
Marketing	5090801	9,425	36,050	36,050	1,440
Misc-Exp Transit User Training	5098001	3,873	13,113	13,113	730
Gap Grant	5098002	-	50,000	50,000	-
Total Expense		5,717,327	7,142,825	7,142,825	1,580,851
Transfers					
Cost Center Salary/Benefit Transfers	5100100	327,701	459,980	459,980	88,870
Cost Center Transfer Overhead	5100101	70,882	136,262	136,262	18,503
Total Transfers		398,583	596,242	596,242	107,372
Total Expense		6,115,910	7,739,067	7,739,067	1,688,223

Marin Transit
 FY2023/24 Q1 Budget Report
 From 7/1/2023 Through 09/30/2023

<i>Detail - Yellow Bus</i>		FY23 Actual	Total Budget - Original	Total Budget - Revised	Current Period Actual	Percent Total Budget Used
Revenue						
Yellow Bus Fares - Paid by Another Agency	4030000	171,000	171,000	171,000	-	0.00%
Local Government Payments	4090101	23,526	18,416	18,416	2,800	15.20%
Measure AA - Sales Tax	4092005	739,750	1,073,171	1,073,171	32,933	3.06%
Fare Revenue - Yellow Bus	4140105	<u>298,871</u>	<u>297,460</u>	<u>297,460</u>	<u>103,983</u>	<u>34.95%</u>
Total Revenue		<u>1,233,147</u>	<u>1,560,047</u>	<u>1,560,047</u>	<u>139,716</u>	<u>8.96%</u>
Transfers						
Property Tax Transfer	4700001	-	-	-	5,806	-
Total Transfers		-	-	-	-	-
Net Revenue		<u>1,233,147</u>	<u>1,560,047</u>	<u>1,560,047</u>	<u>145,522</u>	<u>9.33%</u>
Expense						
Consultant Services	5030301	11,799	4,000	4,000	6,488	162.20%
Fare Processing Charges	5030310	10,533	9,143	9,143	3,915	42.81%
Custodial Service	5030602	1,885	2,138	2,138	87	4.06%
Software	5049903	848	1,000	1,000	314	31.38%
Yellow Bus School Service	5080103	603,356	753,840	753,840	111,856	14.83%
Marketing	5090801	-	500	500	-	0.00%
Measure AA Yellow Bus Grants	5098008	514,606	758,571	758,571	-	0.00%
Leases and Rentals - Passenger Vehicles	5120401	<u>26,210</u>	<u>32,556</u>	<u>32,556</u>	<u>5,426</u>	<u>16.66%</u>
Total Expense		<u>1,169,237</u>	<u>1,561,748</u>	<u>1,561,748</u>	<u>128,086</u>	<u>8.20%</u>
Transfers						
Cost Center Salary/Benefit Transfers	5100100	44,723	27,599	27,599	14,431	52.28%
Cost Center Transfer Overhead	5100101	<u>9,674</u>	<u>8,176</u>	<u>8,176</u>	<u>3,005</u>	<u>36.75%</u>
Total Transfers		54,397	35,775	35,775	17,436	48.74%
Total Expense		<u>1,223,634</u>	<u>1,597,523</u>	<u>1,597,523</u>	<u>145,522</u>	<u>9.11%</u>

Marin Transit
 FY2023/24 Q1 Budget Report
 From 07/01/2023 Through 09/30/2023

Detail:Capital Budget

	Total Project Budget	Prior Year Expenditures	FY2023/24 Budget	FY2023/24 Revised	FY2023/24 Actual	Total Project Expenditures
LE Purchase 7 35 ft Hybrids	6,423,974	1,363	6,422,474	6,421,111	2,138	3,501
PD Purchase 5 paratransit replacements	505,000	7,313	496,594	497,687	841	8,154
PE Purchase 1 electric paratransit	677,208	4,295	673,208	672,913	269	4,564
PF Purchase 5 paratransit replacements	515,000	4,438	509,500	510,562	894	5,332
Subtotal Vehicles	8,121,182	17,409	8,101,776	8,102,273	4,142	21,551
BN Novato Bus Stop Shelters	61,115	2,972	52,052	58,143	285	3,257
BP ADA Bus Stop Improvements	1,703,000	261,331	1,477,288	1,441,679	43,705	305,036
BQ Capital Corridor Improvements	2,000,000	0	500,000	500,000	0	0
Subtotal Bus Stop Improvements	3,764,115	264,303	2,029,340	1,999,822	43,990	308,293
FS Facility - Rush Landing Improvements	2,800,000	2,480,568	0	319,432	227,437	2,708,005
FG Facility Maintenance Facility	20,000,000	44,098	300,000	300,000	17,969	62,067
FH Facility - 3010/3020 Kerner Improvements	2,148,537	121,927	1,848,537	2,026,610	56,994	178,921
FI Facility - Kerner Driver Break Room	650,000	0	650,000	650,000	0	0
YF Yellow Bus Parking Facility	3,000,000	0	3,000,000	3,000,000	0	0
Subtotal Facility	28,598,537	2,646,593	5,798,537	6,296,042	302,400	2,948,993
GG Golden Gate Capital Costs (GG)	24,000	54,186	18,000	18,000	4,985	4,985
VR Major Vehicle Repairs (VR)	200,000	236,197	200,000	200,000	2,726	2,726
IF Infrastructure Support (IF)	400,000	1,426,624	200,000	200,000	44,583	44,583
Subtotal Ongoing Capital Expenses	624,000	1,717,007	418,000	418,000	52,294	52,294
Total Expenditures	41,107,834	4,645,312	16,347,653	16,816,137	402,826	3,331,131

FY2023/24 Q1
Budget Amendments

Number	Board Authorization	Description	Function	Program	Project	GL	Original	Change	Final
2024-01	pending	Roll forward of FY2023 Capital Project expenditures.	Capital	Capital	LE	5230101 Vehicles	6,422,474	-1,363	6,421,111
					PD	5230101 Vehicles	496,594	1,093	497,687
					PE	5230101 Vehicles	673,208	-295	672,913
					PF	5230101 Vehicles	509,500	1,062	510,562
					BN	5230104 Facilities	52,052	6,091	58,143
					BP	5230104 Facilities	1,477,288	-35,609	1,441,679
					FH	5230104 Facilities	1,848,537	178,073	2,026,610
					FS	5230104 Facilities	0	319,432	319,432
		Total Change for 2024-01						\$468,485	
2024-02	pending	Update to add additional federal and local funding to 3010/3020 Kerner Project	Capital	Capital	FH	4139910 Fed-FTA 5307	1,192,789	193,579	1,386,368
						4700101 Ptax Reserves	0	346,600	346,600
						5230104 Facility	2,026,610	540,179	2,566,789
				Total Change for 2024-02					



Capital Projects Report FY2023/24

This capital project report provides details for FY2023/24. Project descriptions and status are given for all major capital projects. Projects are grouped according to project type as shown below.

	Total Project Budgets	Total Expended FY2024	Total Project Expenditures
Vehicles	\$8,121,182	\$4,142	\$21,551
Bus Stop Improvements	\$3,764,115	\$43,990	\$308,293
Facility	\$28,598,537	\$302,400	\$2,948,993
Technology Projects	\$0	\$0	\$0
Ongoing Capital Expenses	\$624,000	\$52,294	\$52,294 (annual)
	<u>\$41,107,834</u>	<u>\$402,826</u>	<u>\$3,331,131</u>

Purchase Seven 35ft Hybrid Vehicles (Replacement)

Total Project Budget \$6,423,974

Concept: Replace seven 35ft Hybrid vehicles to replace vehicles beyond their useful life.

Funding: \$4,882,220 Federal Section 5307
 \$770,877 State
 \$770,877 Measure AA

Description: Purchase seven 35ft Hybrid vehicles

Status: Vehicles have been ordered and delivery is expected in January 2024



VEHICLES

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated</u>	
		<u>Date</u>	<u>Percent Complete</u>	<u>Completion Date</u>	
LE	\$6,423,974	\$3,501	0%	Mar-24	

Purchase 5 Paratransit Vehicles (Replacements)

Total Project Budget \$505,000

Concept: Purchase 5 Paratransit Replacements

Funding: \$404,000 Federal 5307
 \$101,000 Measure AA

Description: Purchase 5 Paratransit Vehicles to replace vehicles beyond their useful life.

Status: Board authorized purchase of these vehicles in November 2021 but the vendor canceled order due to supply chain issues. Board authorized new purchase to the board in November 2022 and delivery is estimated in early 2024.



VEHICLES

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated</u>	
		<u>Date</u>	<u>Percent Complete</u>	<u>Completion Date</u>	
PD	\$505,000	\$8,154	30%	Mar-24	



VEHICLES

Purchase 5 Paratransit Replacements

Total Project Budget \$515,000

Concept: Purchase 5 paratransit replacements
Funding: \$412,000 Federal Section 5307
 \$103,000 Measure AA



Description: Replace 5 paratransit vehicles beyond their useful life

Status: This purchase was combined with the paratransit replacement above. Board authorized new purchase to the board in November 2022 and delivery is expected in early 2024.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated</u>
		<u>Date</u>	<u>Percent Complete</u>	<u>Completion Date</u>
PF	\$515,000	\$5,332	30%	Mar-24

VEHICLES

Purchase 1 Electric Paratransit

Total Project Budget \$677,208

Concept: Purchase One Electric Paratransit
Funding: \$677,208 State LCTOP



Description: Replace 1 paratransit vehicles that is beyond its useful life

Status: Marin Transit will replace one paratransit vehicle with an electric paratransit vehicle. Staff plans to bring this purchase to the Board for authorization in 2024.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated</u>
		<u>Date</u>	<u>Percent Complete</u>	<u>Completion Date</u>
PE	\$677,208	\$4,564	1%	Mar-24

BUS STOP IMPROVEMENTS

Bus Stop Improvements - Novato Bus Shelters

Total Project Budget \$61,115

Concept: Replace Bus Shelters in Novato
Funding: \$48,892 Federal Lifeline Program
 \$12,223 Measure AA



Description: Purchase up to eight shelters in Novato

Status: Marin Transit will replace up to eight advertising shelters previously under contract with an advertising company through the City of Novato with low-maintenance shelters.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Completion Date</u>
		<u>Date</u>	<u>Percent Complete</u>	
BN	\$61,115	\$3,257	5%	Jun-24



ADMIN AND OPERATIONS FACILITY

Bus Stop Improvements - County Wide Stop Improvements **Total Project Budget \$1,703,000**

Concept: Complete construction of Bus Stop Improvements

Funding: \$1,362,400 Federal
\$340,600 Measure AA

Description: Design & Construction for ADA Bus Stop Improvements

Status: A task order for final design was initiated through Marin Transit's general engineering services contract. Design and coordination with local jurisdictions is underway.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to Date</u>	<u>Percent Complete</u>	<u>Completion Date</u>
BP	\$1,703,000	\$305,036	18%	Dec-24

Facility - Capital Improvements **Total Project Budget \$2,800,000**

Concept: Acquire property and develop a maintenance facility

Funding: \$2,696,747 Measure AA/Capital Reserves
\$103,253 FTA 5339

Description: Make improvements to Rush Landing Facility

Status: Marin Transit successfully completed the purchase of right of way at 600 Rush Landing Rd in Novato. Additional improvements are being constructed. Phase 1, which included Bus Charging infrastructure installation is complete 1. Phase 2 including enhanced fencing and lighting is almost complete.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to Date</u>	<u>Percent Complete</u>	<u>Anticipated Completion Date</u>
FS	\$2,800,000	\$2,708,005	97%	Dec-23

Facility - Maintenance Facility **Total Project Budget \$20,000,000**

Concept: Purchase/Build Fixed Route Maintenance Facility

Funding: \$20,000,000 Capital Reserve

Description: Purchase/Build Fixed Route Maintenance Facility

Status: Marin Transit is actively looking for a site to purchase.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to Date</u>	<u>Percent Complete</u>	<u>Anticipated Completion Date</u>
FG	\$20,000,000	\$62,067	0%	Jul-25

Facility - Kerner Driver Break Room Improvements **Total Project Budget \$650,000**

Concept: Improve Driver Break Room at Kerner

Funding: \$650,000 Local Property Tax

Description: Make improvements to Kerner Maintenance Facility to provide drivers with a Break Room area.

Status: Project anticipated to begin in 2024.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to Date</u>	<u>Percent Complete</u>	<u>Anticipated Completion Date</u>
FI	\$650,000	\$0	0%	Jun-24



ADMIN AND OPERATIONS FACILITY

Facility - 3010/3020 Kerner Improvement **Total Project Budget \$2,148,537**

Concept: Improvements to the 3010/3020 Kerner Parking Facility

Funding: \$655,747 LCTOP Funding
 \$1,192,790 FTA 5339
 \$300,000 Local Property Tax

Description: Prepare site for vehicle parking and electric bus charging

Status: Board authorized contract for design of a new parking facility at 3000 Kerner Blvd in December 2022. Staff completed the design in November 2023 and anticipates construction to begin in 2024.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to Date</u>	<u>Percent Complete</u>	<u>Anticipated Completion Date</u>
FH	\$2,148,537	\$178,921	8%	Dec-24

Facility - Yellow Bus Parking Facility **Total Project Budget \$3,000,000**

Concept: Identify and purchase property for vehicles

Funding: \$3,000,000 Capital Reserve

Description: Replace temporary leased parking with a permanent location

Status: Marin Transit is evaluating and identifying opportunities for land acquisition.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to Date</u>	<u>Percent Complete</u>	<u>Anticipated Completion Date</u>
YF	\$3,000,000	\$0	0%	NA

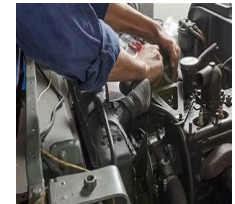
ONGOING CAPITAL EXPENSES

Ongoing Capital Expenses **Annual Budget \$418,000**

Concept: Ongoing capital expenses

Funding: \$418,000 Measure A

<u>Projects:</u>		<u>Total Project Budgets</u>	<u>Annual Budget</u>	<u>Expended in FY2024</u>
GG	Golden Gate Capital Costs	\$18,000	\$18,000	\$4,985
VR	Major Vehicle Repairs	\$200,000	\$200,000	\$2,726
IF	Infrastructure Support	\$200,000	\$200,000	\$44,583



Description: Ongoing capital costs associated with the Golden Gate operations contract, major vehicle repairs, and other small capital expenses.

Status: Capital depreciation expenses for equipment owned by Golden Gate Transit are billed monthly. Major vehicle repairs, such as transmissions, are expended as needed. Infrastructure support includes small capital projects, staff support, and work on partner agency capital projects.



711 Grand Ave, #110
San Rafael, CA 94901
ph: 415.226.0855
marintransit.org

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December 4, 2023

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

Subject: Purchase of Cradlepoint Onboard Data Routers

Dear Board Members:

Recommendation

Authorize General Manager to complete the purchase and installation of Cradlepoint modems for revenue vehicles with a five-year operation agreement via RCN Technologies, at an amount not to exceed \$300,000.

Summary

Staff recommends that your Board authorize the General Manager to purchase the necessary hardware and the appropriate installation plan via RCN Technologies of an onboard digital modem system. The system provides a dedicated cellular data terminal and digital communications bridge for all systems onboard each revenue vehicle.

Marin Transit was awarded a \$1.6 million OBAG3 grant to improve key transit corridors in San Rafael and Novato. As part of this project, Marin Transit is working with the City of San Rafael to implement Traffic Signal Priority (TSP). A fact sheet describing the project is attached.

To activate signal priority, each bus needs to have an onboard router to communicate with the traffic signals. The application programming interface (API) provided by each Cradlepoint device will be essential in communicating with existing TSP programs.

The system will also have the bonus of communicating with other onboard systems (like vehicle headsigns and security cameras) and will allow Marin Transit to offer free Wi-Fi onboard each revenue vehicle, a benefit to those who may not have data plans or internet available to them otherwise.

Staff recommends the installation of the R1900 modem, which will enable these digital improvements while ensuring a higher communication standard for all vehicles by allowing the use of a 'fallback' network, which can be used in the event of a primary network failure. This means that if Network A is unavailable due to a downed tower or a 'dead zone', the modem can switch to Network B. The system will be enabled via government-focused cellular communications and data plans offered through mobile providers, which have been quoted to



Marin Transit at roughly \$80 per month for each vehicle. Based on 50 vehicles this will be about \$48,000 per year in operating costs.

Background

In 2010, your Board approved the procurement of the GMV Syncromatics system to be installed on all Marin Transit revenue vehicles. Earlier this year, your board approved the procurement of the Swiftly system to enhance the data used by the public for vehicle tracking and real time predictions. These systems in tandem provide passengers and staff vehicle location predictions to assist with trip planning and monitoring – however, these systems are limited to only providing vehicle location data and do not allow a data connection to other onboard systems or for external communication needs, which will be required for signal priority requests.

In evaluating the ongoing needs of the District, staff has concluded that the addition of a standalone modem onboard each vehicle would improve the connectivity of each vehicle, improve the quality of the data made available to the public, and would provide the following benefits:

1. **Integration with future TSP projects:** As the District moves forward in pursuit of partnerships with cities and the county on existing and future TSP projects, an onboard router is required to successfully integrate with these systems.
2. **Publicly available Wi-Fi:** The multiple network capabilities of the recommended router would allow for a ‘fallback’ network to increase availability of data for the vehicle and would be able to broadcast a publicly accessible Wi-Fi network for passengers to use, allowing them to work, browse, and even purchase fare media from our vehicles.
3. **More accurate vehicle predictions:** The onboard modems would allow an additional location and data point for the Swiftly system to identify vehicle location, making the vehicle tracking, automatic assignments, and real-time arrival data more accurate.
4. **Increased vehicle communications:** Acting as a router for all digital devices onboard, the Cradlepoint system would allow enhanced communications between devices onboard the vehicle and would allow the option to have systems like security cameras to be accessed remotely.

Fiscal / Staffing Impact

The capital expenditure for the Cradlepoint Routers for 50 vehicles including installation will not exceed \$300,000. This cost is based on the specific modem model and accessories required for successful utilization in a revenue vehicle. This amount will include hardware purchase, installation, and five years of product support. The system will be capitalized and funded through the existing Capital Corridors project budget (BQ). This project is 80% funded through the OBAG 3 program with funds transferred to the Federal Transit Administration (FTA).

The Cradlepoint hardware will also require a data plan to provide connectivity. This operating cost of about \$48,000 will be added to the operations budget and will be brought to your Board for approval at a later date.



Respectfully Submitted,

A handwritten signature in black ink that reads "K French".

Kyle French
Operations Manager

Attachment A: RCN Technologies Procurement and Installation Quote

Attachment B: Proposed Installation Vehicle List

Attachment C: Transit Corridor Improvement Fact Sheet



Estimate



Estimate# 865-028603

RCN Technologies
 200 Jennings Ave.
 Knoxville, Tennessee, 37917
 865-293-0350

Bill To
Marin Transit (CA)
 711 Grand Ave
 Suite 110
 San Rafael, CA, 94901

Ship To
 711 Grand Ave
 San Rafael, CA, 94901



Estimate Date : 10/25/2023
 Sales person : Ben White
 Project Name : Marin Transit -
 Cradlepoint OMNIA
 Partners Contract
 #R200803 Quote w/ AG
 Antennas
 Terms : Net30

#	Item & Description	Qty	Rate	Amount
1	 5-yr NetCloud Mobile Performance Essentials Plan and Advanced Plan SKU : MBA5-19005GB-GA 5-yr NetCloud Mobile Performance Essentials Plan, Advanced Plan, and R1900 router with WiFi (5G modem), no AC power supply or antennas, Global *Pricing set according to OMNIA Partners contract #R200803 **MSRP: \$3,999 ***NTE Price: \$3,839.04	50.00 Each	2,734.01	136,700.50
2	 R1900 MANAGED ACCESSORY - MODEM AND SWITCH SKU : MB-RX30-MC R1900 Managed Accessory - Modem and Switch *Pricing set according to OMNIA Partners contract #R200803 **MSRP: \$249.99 ***NTE Price: \$239.99	50.00 Each	170.91	8,545.50

Print Name: _____



Title: _____ Date: _____

Attachment A

#	Item & Description	Qty	Rate	Amount
3	 <p>MC400 5G Modem (requires 4FF SIM) SKU : MB-MC400-5GB 5G Modem (requires 4FF SIM) upgrade for R1900+RX30-MC or IBR1700 Mobile Routers with door</p> <p>*Pricing set according to OMNIA Partners contract #R200803 **MSRP: \$999.99 ***NTE Price: 959.99</p>	50.00 Each	683.67	34,183.50
4	 <p>Cradlepoint OBD-II ADAPTER KIT FOR IBR1700 SKU : 170758-000 Benefits: - Customers can build custom Apps around vehicle diagnostics in SDK - Enables Auto Dead Reckoning (ADR) for vehicle positioning - Utilize custom NMEA sentences to send OBD-II and GPS information in the same string - Supports of hundreds of vehicles through partnership with B+B Advantech</p> <p>*Pricing set according to OMNIA Partners contract #R200803 **MSRP: \$349 ***NTE Price: \$335.04</p>	50.00 Each	238.60	11,930.00
5	<p>AG611 11-Lead Hi-Gain 5G Mobility Antenna 8xCell / 2x WiFi / GPS (No Bluetooth) SKU: AG611-BB-8CG2W AG611 Enterprise Series Mobility 11-Lead Multi-MIMO 8 x Cellular 3G 4G 5G CBRS / GPS GNSS / MIMO 2 x WiFi Dual Band - Bolt Mount Antenna w/15ft Coax Cables - Black</p> <p>*Pricing set according to OMNIA Partners contract #R200803 **MSRP: \$510 ***NTE Price: \$489.6</p>	50.00	244.98	12,249.00
6		50.00 Each	29.24	1,462.00


Print Name: _____

Title: _____ Date: _____

#	Item & Description	Qty	Rate	Amount
	 <p>5G/LTE Device Setup & Configuration, Multiple Devices SKU : TL-SETUP-PRO-M OPTIONAL SERVICE</p> <p>TechLab Setup and Provisioning for multiple devices -Seat SIM Cards -Partner with customer and carrier of choice for activation -Verify connection to the network -Establish device configuration according to submitted Setup and Configuration Form -QC against defects</p> <p>This service's design results in a turn-key shipment of your device ready for field installation</p> <p>*Pricing set according to OMNIA Partners contract #R200803</p> <p>**MSRP: \$48.39 ***NTE Price: \$45</p>			
7	 <p>NOC Plus 5-Year License - One-Time SKU : RCN-NOC-PLUS-5YR OPTIONAL SERVICE</p> <p>5 Year license subscription to RCN Wireless Network Operation Support Center</p> <p>24x7 Tier 1 Support 12x5 Tier 2 Support Less than 2-hour incident response Less than 1-hour critical incident response Power Cycle Automation Email Alerts and Notifications Carrier Recommendation per Location Annual Account Review Managed Firmware Updates Device Configuration Updates Failover & Fallback Facilitation Warranty Claim Assistance RMA Facilitations and Troubleshooting</p> <p>Support without a NOC license is \$125 per hour.</p> <p>*Pricing set according to OMNIA Partners contract #R200803 **MSRP: \$537.63 ***NTE Price: \$500</p>	50.00 Each	467.52	23,376.00
8		50.00 Each	525.28	26,264.00

Print Name: _____

Title: _____ Date: _____

#	Item & Description	Qty	Rate	Amount
	 TechLab Professional Field Installation SKU : TLI-FIELD TechLab Professional Field Installation SKU : TLI-FIELD RCN Field Team Install of Cradlepoint R1900 Dual Modem Solution, Hi-Gain Mobility Antenna, Wire Harness and OBD-II Accessory cable *Pricing set according to OMNIA Partners contract #R200803 **MSRP: \$525.28 ***NTE Price: \$488.51			

Items in Total 400.00	Sub Total	254,710.50
	CA STATE TAX (6%)	13,880.07
	CA COUNTY TAX (0.25%)	578.34
	CA CITY TAX (1%)	2,313.36
	CA SPECIAL TAX (1%)	2,313.36
	CA SPECIAL TAX (1%)	2,313.36
	Total	\$276,108.99

Notes

*Hardware & Service Pricing Set According to OMNIA Partners Contract #R200803
 **Please include the contract number on any resulting PO
 Please Remit To:
 RCN Technologies -C/O U.S. Bank TFM Lockbox
 PO Box 860573
 Minneapolis, MN 55486-0573
 Reference: RCN A/C 221414000

Looking forward to working with you in the future. Have a great day!

Terms & Conditions

- Payment Due Net 15 from the ship date for all goods.
- A Service fee of 3.5% of the subtotal payment will be added to all credit card transactions. Payment can be made via check or ACH with no fee.
- Orders containing Installation or other services may be billed separately.
- An executed estimate by an authorized signatory will result in a binding purchase order.
- Certain products may be returned or exchanged upon approval within 30 days
- Customer may be responsible for a minimum of a 20% restocking fee
- All licenses, services, and shipping fees are non-refundable
- View our Limited Return Policy here: <http://rcntechnologies.com/returns/>

Authorized Signature _____

Print Name: _____

Title: _____ Date: _____

Attachment B

Vehicle #	Series	Contractor	Useful Life	In-Service Date	Retirement Date
301	2015 29' XHF	Marin Airporter	12	1/8/2016	12/8/2027
1501	2015 Gillig 30ft	Marin Airporter	12	4/13/2016	3/13/2028
1502	2015 Gillig 30ft	Marin Airporter	12	8/12/2016	7/12/2028
1503	2015 Gillig 30ft	Marin Airporter	12	5/16/2016	4/15/2028
1504	2015 Gillig 30ft	Marin Airporter	12	5/9/2016	4/8/2028
1505	2015 Gillig 40ft	Marin Airporter	12	1/19/2016	12/19/2027
1506	2015 Gillig 40ft	Marin Airporter	12	3/9/2016	2/7/2028
1507	2015 Gillig 40ft	Marin Airporter	12	3/14/2016	2/12/2028
1508	2015 Gillig 40ft	Marin Airporter	12	3/9/2016	2/7/2028
1509	2015 Gillig 40ft	Marin Airporter	12	3/14/2016	2/12/2028
1510	2015 Gillig 40ft	Marin Airporter	12	4/30/2016	3/30/2028
1511	2015 Gillig 40ft	Marin Airporter	12	5/9/2016	4/8/2028
1680	2016 El Dorado Aerotech 240	Marin Airporter	7	8/10/2016	7/11/2023
1701	2017 40' Gillig Hybrids	Marin Airporter	12	3/12/2018	2/9/2030
1702	2017 40' Gillig Hybrids	Marin Airporter	12	3/12/2018	2/9/2030
1703	2017 40' Gillig Hybrids	Marin Airporter	12	3/12/2018	2/9/2030
1704	2017 40' Gillig Hybrids	Marin Airporter	12	3/12/2018	2/9/2030
1705	2017 40' Gillig Hybrids	Marin Airporter	12	3/12/2018	2/9/2030
1706	2017 40' Gillig Hybrids	Marin Airporter	12	3/12/2018	2/9/2030
1707	2017 40' Gillig Hybrids	Marin Airporter	12	3/12/2018	2/9/2030
1760	2017 29' XHF	Marin Airporter	12	3/22/2017	2/19/2029
1761	2017 29' XHF	Marin Airporter	12	3/21/2017	2/18/2029
1860	2018 35' XHF	Marin Airporter	12	5/21/2019	4/20/2031
1861	2018 35' XHF	Marin Airporter	12	5/21/2019	4/20/2031
1880	2018 El Dorado Aerotech	Marin Airporter	7	10/2/2018	9/1/2025
1980	2019 El Dorado Aerotech	Marin Airporter	7	5/6/2019	4/5/2026
2080	2021 El Dorado AeroTech	Marin Airporter	7	3/5/2021	2/3/2028
2081	2021 El Dorado AeroTech	Marin Airporter	7	3/9/2021	2/7/2028
2082	2021 El Dorado AeroTech	Marin Airporter	7	3/3/2021	2/1/2028
2083	2021 El Dorado AeroTech	Marin Airporter	7	3/16/2021	2/14/2028
2084	2021 El Dorado AeroTech	Marin Airporter	7	3/4/2021	2/2/2028
2085	2021 El Dorado AeroTech	Marin Airporter	7	3/10/2021	2/8/2028
2086	2021 El Dorado AeroTech	Marin Airporter	7	3/15/2021	2/13/2028
2087	2021 El Dorado AeroTech	Marin Airporter	7	3/15/2021	2/13/2028
2088	2021 El Dorado AeroTech	Marin Airporter	7	3/5/2021	2/3/2028
2101	2021 Gillig 40' Electric Bus	Marin Airporter	12	12/15/2022	11/14/2034
2102	2021 Gillig 40' Electric Bus	Marin Airporter	12	12/15/2022	11/14/2034
2103	2021 Gillig 40' Electric Bus	Marin Airporter	12	12/15/2022	11/14/2034
2104	2021 Gillig 40' Electric Bus	Marin Airporter	12	12/15/2022	11/14/2034
2160	2021 29' XHF	Marin Airporter	12	3/27/2021	2/24/2033
2161	2021 29' XHF	Marin Airporter	12	3/24/2021	2/21/2033
2162	2021 29' XHF	Marin Airporter	12	3/27/2021	2/24/2033
2163	2021 29' XHF	Marin Airporter	12	3/24/2021	2/21/2033
2170	2021 XHF 35'	Marin Airporter	12	12/4/2021	11/3/2033
2171	2021 XHF 35'	Marin Airporter	12	12/4/2021	11/3/2033

Transit Corridor Improvements

July 2022

- Goals:**
- Improve operational efficiency on existing routes
 - Upgrade passenger amenities at high ridership stops
 - Improve passenger information at bus stops
 - Make ADA accessibility improvements

Federal Funding Request:	\$1,600,000
Local Matching Funds:	\$400,000
Total Project:	\$2,000,000

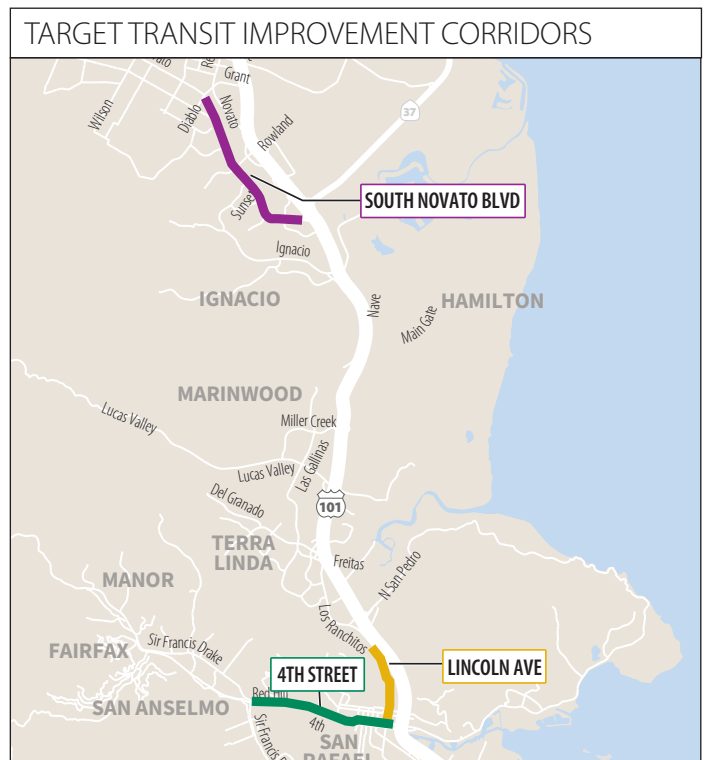
Summary

Marin Transit will evaluate and make improvements to high ridership transit corridors in Marin County. Proposed improvements include enhanced passenger information, upgraded amenities at bus stops and transit priority improvements to make transit service faster, more reliable, and more accessible to riders.

- Target Corridors:
- 4th Street, San Rafael
 - Lincoln Ave, San Rafael
 - South Novato Blvd, Novato

BUS STOP IMPROVEMENTS

- Renovate high-ridership stops to improve ADA Accessibility
- Upgrade stop amenities to tie in with street design at high ridership stops



TRANSIT PRIORITY IMPROVEMENTS

- Work with the City of San Rafael to purchase and install signal communication equipment for transit signal priority on fixed-route vehicles



- Evaluation of adding part-time dedicated carpool/transit lanes.

PASSENGER INFORMATION UPGRADES

- Installation of corridor-focused real time passenger information.
- Pilot of battery-powered e-paper signs
- Collaboration with local jurisdictions and businesses on kiosk designs



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Director
City of San Rafael

Fred Casissa

Alternate
Town of Corte Madera

December 4, 2023

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

**Subject: Marin Transit Annual Comprehensive Financial Report
for Fiscal Year 2022/23**

Dear Board Members:

Recommendation

Accept report.

Summary

Maze & Associates Accounting Corporation has completed the annual financial audit of the Marin County Transit District for the fiscal year that ended June 30, 2023. The audit includes a detailed single audit as required when the expenditure of federal funds in a fiscal year exceeds \$750,000. Staff have incorporated the annual financial audit into the attached Annual Comprehensive Financial Report (ACFR). The auditor presented the ACFR to the Ad Hoc Audit Subcommittee of your Board for review on November 6, 2023. With your acceptance of this report, the District will be up-to-date with all independent audits and will submit the required federal audit before the required deadline of March 30, 2024.

Background

This is the eighth year the District has published an Annual Comprehensive Financial Report. The report is designed to ensure that users of the financial statements have the information and context needed to assess the financial health of the District. The audit was conducted 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.

The ACFR has four main components:

- Introductory Section
- Financial Section
- Statistical Section
- Single Audit Section



The **Introductory Section** discusses the District’s governing structure, staff structure, and service area map.

The **Financial Section** contains the District’s audited financial statements.

The **Statistical Section** compiles data from the District’s prior financial statements and Short Range Transit Plans, along with countywide statistics from the County of Marin and other sources. This section is designed to provide information about trends and the local economy that will provide context for the reader to assess the District’s financial condition.

The **Single Audit Section** contains the results of the federal single audit.

Discussion

The audit team found no deficiencies in internal control over financial reporting or in compliance that they considered to be material weaknesses. Similarly, the audit team found no material weaknesses or significant deficiencies in internal control over major federal award programs.

Fiscal/Staffing Impact

None associated with this report.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "L Gradia".

Lauren Gradia
Director of Finance and Capital Programs

Attachment A: Marin County Transit District FY2022/23 Annual Comprehensive Financial Report

Attachment B: Letter to the Board from Maze & Associates Accounting Corporation



MARIN COUNTY TRANSIT DISTRICT

San Rafael, California

A Component Unit of the County of Marin, California

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Years Ended June 30, 2023 and 2022



MARIN COUNTY TRANSIT DISTRICT
(A COMPONENT UNIT OF THE COUNTY OF MARIN, CALIFORNIA)

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

PREPARED BY THE FINANCE DEPARTMENT

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MARIN COUNTY TRANSIT DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Year Ended June 30, 2023

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MARIN COUNTY TRANSIT DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Year Ended June 30, 2023

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MARIN COUNTY TRANSIT DISTRICT
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December 4, 2023

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
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Maribeth Bushey

Director
City of San Rafael

Fred Casissa

Alternate
Town of Corte Madera

Dear Board Members:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Marin County Transit District (the District) for the fiscal years ended June 30, 2023 and 2022.

The District's enabling legislation requires an annual audit of the District's financial statements. This report is published to fulfill that requirement for the fiscal years ended June 30, 2023 and 2022.

Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- (1) the cost of a control should not exceed the benefits likely to be derived; and
- (2) the valuation of costs and benefits requires estimates and judgments by management. Management believes internal controls in place are adequate to ensure the financial data provided herein is materially accurate.

Maze & Associates Accounting Corporation has issued an unmodified ("clean") opinion on the District's financial statements for the fiscal years ended June 30, 2023 and 2022. The independent auditor's report is located at the front of the financial section of this report. This report has been prepared by the Finance Department following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA) and is in conformance with generally accepted accounting principles



for state and local governmental entities established by the Governmental Accounting Standards Board (GASB). Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District’s MD&A can be found immediately following the report of the independent auditors. Responsibility for the accuracy, completeness and fairness of the presented data and the clarity of presentation, including all disclosures, rests with the management of the District.

The following provides an overview of the District’s history, services, local economy, planning initiatives, and policies.

PROFILE OF THE GOVERNMENT

History

The Marin County Transit District (“Marin Transit” or the “District”) was formed by a vote of the people of Marin County (the County) in 1964 and was given the responsibility for providing local transit service within the County. Marin Transit is a component unit of the County of Marin, California. Although Marin Transit has responsibility for local transit services, the District owns limited facilities and does not employ its own drivers. Instead, Marin Transit contracts with other providers, including Golden Gate Bridge Highway and Transportation District (Golden Gate Transit), Marin Airporter, Bauer’s Intelligent Transportation, and Transdev Services, Inc, for local bus and paratransit services.

Prior to a major fixed route service restructuring by Golden Gate Transit in November 2003, the primary responsibility of Marin Transit was to manage and administer the paratransit contract for both local and regional paratransit services in the County. Historically, Marin Transit was a “pass through” agency for fixed route services, providing funds for local services managed by Golden Gate Transit. With the 2003 service restructuring, Marin Transit took on increased responsibility for the planning, scheduling, outreach, oversight, and management of local fixed route transit services throughout the County.

The passing of Measure A, the County’s ½ cent sales tax increase, in 2004 further propelled the responsibility of Marin Transit under a 20-year expenditure plan providing a dedicated local funding source for public transit within the County. This new funding source allowed the District to fund its local big bus fixed route services, expand the rural Stagecoach service, and introduce the community shuttle program. In November 2018, Measure A was reauthorized as Measure AA for a 30-year extension.



The Muir Woods Shuttle program was inaugurated in 2005 and became the responsibility of Marin Transit in 2009. Although the County started the program as a demonstration project, its success in reducing transportation impacts on the National Monument and surrounding areas has led to a formal partnership between the District and the National Park Service.

Internal growth within the District has also occurred as responsibility for local service has increased. Staffing levels prior to the passage of Measure A included one full-time and one part-time employee. With the passage of Measure A, the number of full-time employees grew from 1.5 to 3.5 in 2006 and then to 5 employees in 2008. As of June 30, 2023, the District has 19.2 authorized full time equivalent employees.

The COVID-19 pandemic, starting in March 2020, disrupted transit service operations and reduced ridership demand on both fixed route and demand response services. As the County and our District recover from the pandemic, Marin Transit's fixed route ridership has returned faster than the District's ADA paratransit ridership and faster than other Bay Area transit operators that have more commute dependent ridership.

SERVICES

Fixed Route

Marin Transit operates public transit service on 19 routes within Marin County. Over 2.7 million trips were made on the local fixed route network in fiscal year 2023. This is down from 3.0 million trips made prior to the COVID-19 pandemic, but an increase from the 2.3 million trips made in the prior fiscal year.

Fixed route services are organized within the District based on route typologies. Typologies define the primary function of that route and its intended market. There are currently six typologies: Local Trunkline, Local Basic, Local Connector, Supplemental School, Rural, and Recreational. Below is a summary of each typology.

Local Trunkline

Description: Services that operate along the highest ridership corridors and often the most densely populated areas of the County. These services provide the backbone for the transit system and connect with Local Basic and Local Connector services at key transfer locations. Along Highway 101, Trunkline service supplements the Golden Gate Transit regional services that continue to San Francisco and Sonoma Counties.

- Operational Focus: Capacity, frequency, and speed.
-



- Routes: 35, 36, 71
- Program: Local Bus
- Typical Vehicle: 40' heavy duty

Local Basic

Description: Services that operate along many of the County's arterial corridors with transit-supportive land use patterns with an emphasis on providing the more extensive coverage of transit services.

- Operational Focus: Frequency, accessibility, and speed.
- Routes: 17, 22, 23, 29, 49, 57
- Program: Local Bus
- Typical Vehicle: 30', 35' or 40' heavy duty

Local Connector

Description: Services to lower density areas with less supportive transit land use patterns or areas where larger bus capacity is not warranted. These services rely on good transfer opportunities to the Local Trunkline and Local Basic Services for travel outside the community.

- Operational Focus: Accessibility.
- Routes: 219, 228, 233, 245
- Program: Community Shuttles
- Typical Vehicle: 24' cutaways

Supplemental School

Description: Services that are provided to address the transportation needs of schools, primarily middle and high schools, within the County. These services provide additional capacity on Marin Transit routes for this purpose and are not designed for transfer opportunities.

- Operational Focus: Capacity.
- Routes: 613, 619, 625, 654
- Program: Local Bus
- Typical Vehicle: 35' or 40' heavy duty
- Limited services were provided during the COVID-19 pandemic



Rural

Description: Services to the rural areas of West Marin that provide community mobility and reduce congestion in the rural areas. Topography is challenging on these routes and requires specific attributes for the fleet used to deliver these services.

- Operational Focus: Accessibility.
- Routes: 61, 68
- Program: Rural and Recreational
- Typical Vehicle: 24' cutaways or 30' or 35' heavy duty

Recreational

Description: Services that support recreational or tourist-based travel within the County. Major attractions include the Muir Woods National Monument within the Golden Gate National Recreational Area.

- Operational Focus: Accessibility.
- Routes: Muir Woods Shuttle Service
- Service was suspended during pandemic and restarted in June 2021

Yellow Bus

Marin Transit provides yellow school bus service to two schools in the Ross Valley School District: White Hill Middle School and Hidden Valley Elementary School. This yellow bus school service was suspended in March 2020 due to the COVID-19 pandemic and re-started in fiscal year 2022. Marin Transit handles all logistics of the program including contract management, website development, pass sales and production and customer service. Staff at White Hill Middle School and Hidden Valley Elementary School support the program by distributing passes and managing students loading on the buses in the afternoon.

Marin Transit staff provide planning and management support to a Joint Powers Authority for Reed Union School District and administers a yellow bus grant program with Measure AA funds.

Demand Response

In addition to fixed-route services, the District provides a suite of programs named “Marin Access” to serve the aging and disabled population in Marin County. A total of five programs provide a variety of mobility options to these users and all services are coordinated by a team of Travel Navigators. These programs include local paratransit, dial-a-ride, volunteer driver, and subsidized taxi (Catch-A-Ride). Travel Navigators provide trip planning and technical assistance to riders to empower the user to select from available travel options to best meet their mobility need.



LOCAL ECONOMY

The District operates within Marin County, one of the nine counties in the San Francisco-Oakland Bay Area. The County includes 11 incorporated cities and towns: Belvedere, Corte Madera, Fairfax, Larkspur, Mill Valley, Novato, Ross, San Anselmo, San Rafael, Sausalito, and Tiburon.

The local economy entered a period of uncertainty with the onset of the COVID-19 pandemic and has shown a return to the strong economy that existed before the pandemic. The County's unemployment increased during the pandemic from a low of 2.4% to a high of 6.1% in fiscal year 2021 and dropped again to 3.0% in fiscal year 2022. In fiscal year ended 2023, the County's unemployment rate was 4.6%. The Contractors for the District continue to have increasing difficulties hiring and retaining drivers and other front-line staff. These challenges have continued to increase following the pandemic causing missed service, difficulties in adding service and increasing costs for our contractors.

A significant portion of the District's operating funds are derived from sales tax revenues. The COVID-19 pandemic did not negatively impact Marin County's total sales tax receipts but has impacted the timing. In fiscal year 2020, many businesses chose to defer sales tax payments. Fiscal year 2020 sales tax decreased 5.6% and fiscal year 2021 and 2022 sales tax increased 12.8% and 12.7% respectively. This equates to about a 6.2% increase per year over the three-year period. This is better than the standard 2.2% per year growth projections used by the Transportation Authority of Marin. More recent sales tax numbers indicate slowing and limited growth and the preliminary sale tax growth for Marin County in fiscal year 2023 is less than 1%.

LONG TERM PLANNING AND MAJOR INITIATIVES

Short Range Transit Plan

The District's Short Range Transit Plan (SRTP) is the primary service and financial planning document for the District and includes ten years of financial projections for operations and capital programs. The 2020-2029 SRTP was adopted by the Board of Directors (the Board) on February 3, 2020. The District is completed a partial update on December 5, 2022 and will do a full update in 2024.

Operating Plan

The District continues to operate a fixed route service level similar to pre-pandemic service. By the start of fiscal year 2022, fixed route ridership was recovering and Marin Transit returned most service to more normal operations. In Fiscal Year ended 2023, fixed route ridership was at 90% of pre-COVID



levels. Demand response services in the Marin Access program, including ADA paratransit continue to have lower demand. After a moderate recovery in fiscal year 2022, demand for these services dropped slightly in fiscal year 2023. Marin Transit is budgeting for a similar level of fixed route service in fiscal year 2024 and planning for a continued recovery of paratransit transit demand.

Marin Transit does not directly operate any of its services and instead provides them through contracts with multiple service providers. The District began a new service contract for paratransit service and other Marin Access programs on February 1, 2022. Marin Transit started a new contract with Golden Gate Bridge Highway and Transportation District (GGBHTD) effective October 1, 2022, competitively bid new contracts for yellow school bus service and the Muir Woods Shuttles, and negotiated a two year contract extension with Marin Airporter effective July 1, 2023.

Marin Transit continues to be in a strong financial position. Recent years of strong economic growth enabled the District to make decisions to fully fund the District's emergency and contingency reserves, and the 2018 passage of the Measure AA transportation sales tax extension continues to provide baseline funding for the District. The District's long term financial stability is less certain and there are increasing challenges due to the tight labor market and lack of ownership of sufficient fixed route parking and maintenance facilities.

Capital Plan

The District's Capital Improvement and Funding Plan includes all expenses related to purchasing and maintaining the transit system's capital assets. The District's primary capital responsibilities and priorities are to:

1. Maintain a sufficient fleet of clean fueled vehicles for local transit service,
2. Improve and maintain the amenities and accessibility of Marin County bus stops,
3. Improve major bus transfer locations,
4. Provide passenger information, and Improvement Program, and
5. Provide needed operations equipment and infrastructure.

The District's baseline capital resources limit the Capital Plan to primarily maintaining a state of good repair for existing assets and making the minimal level of investment required to maintain and operate the local bus system. Replacing and maintaining vehicles are almost 80% of these expenses.



Discretionary grant funding and capital reserve funds are needed to fund facility projects to ensure stable operations and allow for future expansion. The District purchased a bus parking facility in fiscal year 2019/2020, a paratransit maintenance facility in FY2020/21, and a future parking facility adjacent to the paratransit maintenance facility in FY2022/23. The District needs to find a permanent location for electric bus maintenance and parking. The District received a federal grant of \$31.5 million towards the purchase of an electric vehicle charging and fixed route maintenance facility. In fiscal year ended 2023, the District expended \$1.9 million of the capital reserve on facility projects and has a remaining reserve balance of \$16 million.

RELEVANT FINANCIAL POLICIES

Budget Process

Marin Transit's budget uses full accrual basis of accounting to record annual revenue and expenses consistent with Generally Accepted Accounting Principles (GAAP) for special districts and the District's annual audited financial reports. All known revenues and expenditures are recorded in the period they are earned or expended.

The Marin Transit Board adopts an annual budget for the District's fiscal year starting July 1 and ending June 30. Under the direction of the Director of Finance, staff develops a balanced budget for the Board that provides sufficient and sustainable funding for local transit service needs using the following guidelines:

1. Maintain adopted reserve levels;
2. Preserve a balance of revenues and expenditures over a ten-year horizon;
3. Provide for SRTP-adopted service levels; and
4. Allow for innovative growth.

Reserve Policy

Marin Transit's Board-adopted policy designates an Emergency Reserve equivalent to two months of operating expenses and a Contingency Reserve equivalent to an additional two to four months. When the emergency reserve is fully funded and the contingency reserve is funded with the equivalent of at least two months of operations funds, the District may fund a capital reserve through the budgeting process. The reserve is designed to reduce the District's future needs for borrowing or bonding for large capital projects.



If the reserve balance exceeds six months of operating expenditures for a prolonged period, the policy advises the Board to consider options such as, but not limited to, expanding transit service or decreasing fares in an effort to provide the optimal level of transit service and benefits to Marin County residents.

The District added \$681,403 to reserves in fiscal year 2023. Consistent with the fiscal year 2023 budget, the District added \$2.5 million to the operations reserves (Emergency and Contingency) to maintain the equivalent of six months operating expenses and the Capital Reserve decreased by \$1.85 million.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Reports (ACFR) for the fiscal year ended June 30, 2022. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state or local government financial reports. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. The report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report required the dedicated efforts of the District's staff. We also gratefully recognize Maze & Associates Accounting Corporation for their timely audit and expertise on the preparation of this ACFR. Finally, we would like to thank the Board for its commitment and support in the development of a strong financial system.

Respectfully Submitted,

Handwritten signature of Nancy E. Whelan in black ink.

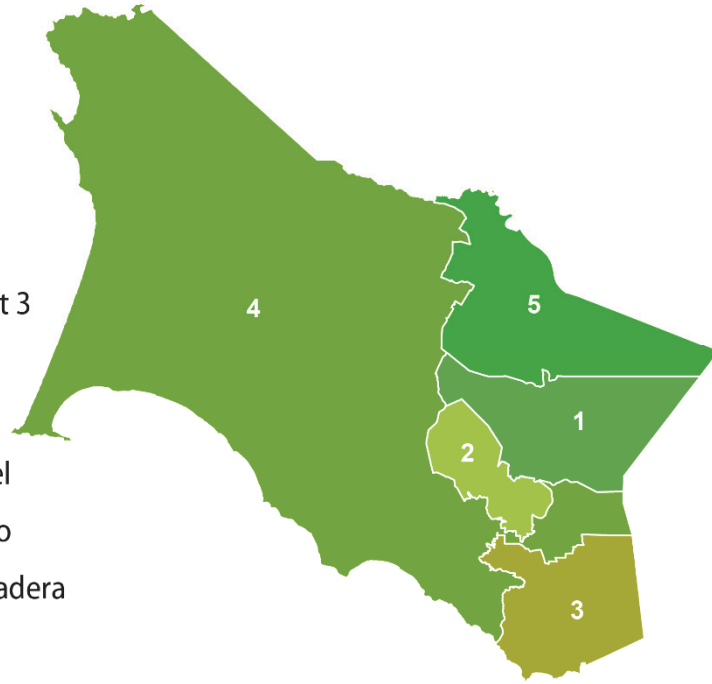
Nancy Whelan
General Manager

Handwritten signature of Lauren Gradia in black ink.

Lauren Gradia
Director of Finance and Capital Programs

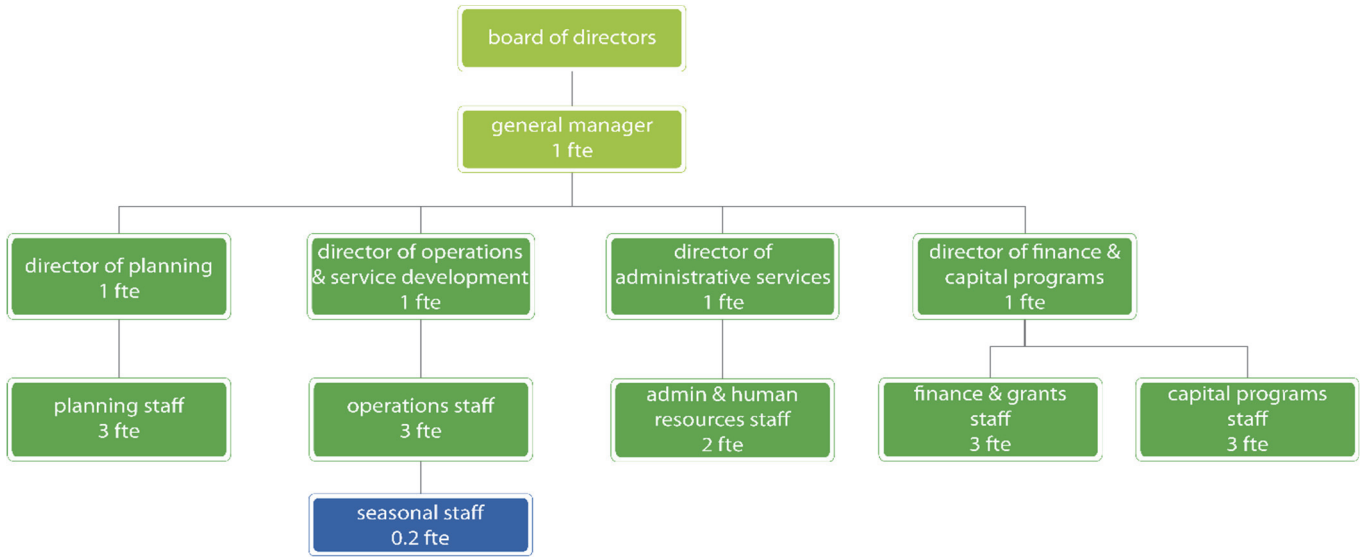
**MARIN COUNTY TRANSIT DISTRICT
INTRODUCTORY SECTION
PRINCIPAL OFFICIALS**

- Mary Sackett** District 1
- Katie Rice** District 2
- Stephanie Moulton-Peters** District 3
- Dennis Rodoni** District 4
- Eric Lucan** District 5
- Maribeth Bushey** City of San Rafael
- Brian Colbert** Town of San Anselmo
- Fred Cassisa (alt)** Town of Corte Madera



Board Member	District or City	Current Term Ends
Mary Sackett	Marin County, District 1	January 1, 2026
Katie Rice	Marin County, District 2	January 1, 2025
Stephanie Moulton-Peters	Marin County, District 3	January 1, 2025
Dennis Rodoni	Marin County, District 4	January 1, 2025
Eric Lucan	Marin County, District 5	January 1, 2025
Maribeth Bushey	City of San Rafael	January 1, 2026
Fred Casissa	Town of Corte Madera	January 1, 2026
Brian Colbert	Town of San Anselmo	January 1, 2024

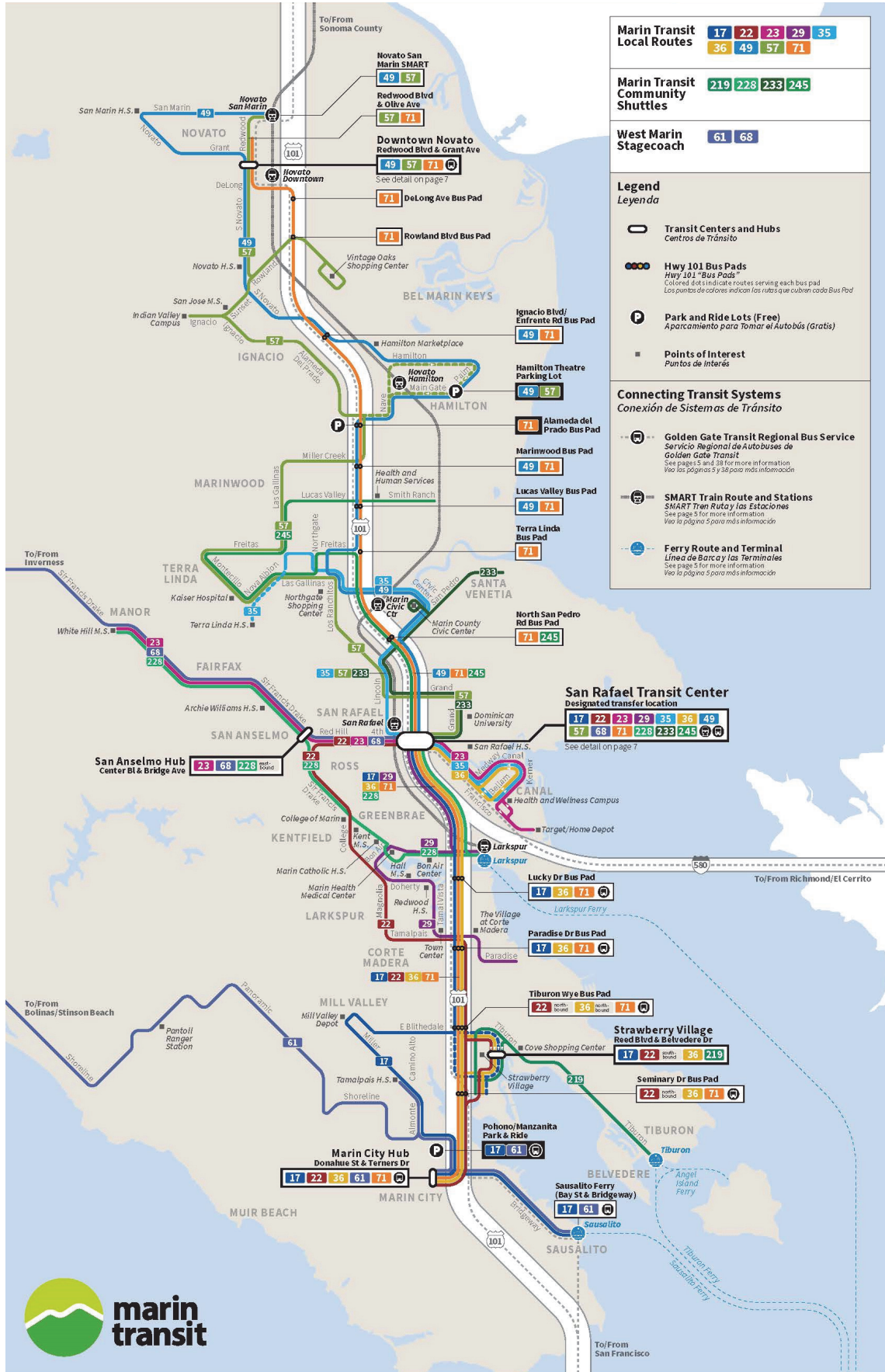
**MARIN COUNTY TRANSIT DISTRICT
INTRODUCTORY SECTION
ORGANIZATIONAL CHART**



Note:

- Total authorized FTE 19.2
- Vacancies at 6/30/23 equal 2 FTE

SERVICE AREA MAP





Government Finance Officers Association

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Reporting

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**Marin County Transit District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the Board of Directors
Marin County Transit District
San Rafael, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and fiduciary fund of the Marin County Transit District (District), a component unit of the County of Marin, California, 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 as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary fund of the District as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement 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 these 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other required supplementary information 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section listed in the Table of Contents, 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 November 6, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.


Report on Summarized Comparative Information

The financial statements of the District as of and for the year ended June 30, 2022, were audited by other auditors whose reported dated November 17, 2022, expressed an unmodified opinion on those statements.



Pleasant Hill, California
November 6, 2023

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**MARIN COUNTY TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023 AND 2022**

As management of the Marin County Transit District (Marin Transit or the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal years ended June 30, 2023 and June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v to xiii of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities at June 30, 2023 and 2022, by \$84,864,953 and \$81,958,592 (net position), respectively. Of this amount, \$48,674,795 and \$46,378,836, respectively, is net investment in capital assets, and \$36,261,158 and \$35,579,756, respectively, is unrestricted.
- The District's total net position increased for the fiscal year ended June 30, 2023, by \$2,977,361 compared to the fiscal year ended June 30, 2022. The District's total net position increased for the fiscal year ended June 30, 2022, by \$4,276,545 compared to the fiscal year ended June 30, 2021. The increases are due to increased investment in capital assets.
- The District claimed \$13,477,367 in fiscal year 2023 from the Transportation Authority of Marin as part of a voter approved sales tax. The District claimed \$8,842,770 in fiscal year 2022 from the Transportation Authority of Marin as part of a voter approved sales tax.
- The District's emergency reserve and contingency reserve are fully-funded, with a total value equivalent to six months operating funds. The District's capital reserve decreased by \$1,853,727, for a total capital reserve of \$16,035,159.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of two components: (1) government-wide financial statements and (2) notes to the basic financial statements. This report also contains supplementary information intended to furnish additional detail to support the basic financial statements.

Government-Wide Financial Statements

The District is a single-purpose entity that is required to account for its activity as a proprietary fund type under governmental accounting standards. Accordingly, the District presents only government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, similar to a private-sector business.

The statements of net position present information on all of the District's assets and liabilities, with the difference between assets and liabilities reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statements of activities and changes in net position present information showing how the District's net position changed during the fiscal year. All changes in net position are recognized on the date the underlying event that gives rise to the change occurs, regardless of the timing of the related cash flows.

The basic financial statements can be found on pages 11-14 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide statements. The notes to the basic financial statements can be found on pages 15-38 of this report.

OVERALL FINANCIAL ANALYSIS

The financial statements provide both short-term and long-term information about the District's overall financial condition. This analysis addresses the financial statements of the District as a whole.

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the case of the District, assets and deferred outflows of resources exceeded liabilities by \$84,864,953 and \$81,958,592 at June 30, 2023 and 2022, respectively.

STATEMENTS OF NET POSITION

As stated earlier, increases or decreases in net position over time may serve as a useful indicator of the District's financial position. A summary of the Statements of Net Position during the fiscal years ended June 30, 2023, 2022, and 2021, is shown below. The focus is on Net Position (Note 1):

	June 30, 2023	June 30, 2022	2023-2022 Increase (Decrease)	June 30, 2021	2022-2021 Increase (Decrease)
Cash	\$35,886,151	\$28,577,971	\$7,308,180	\$25,892,366	\$2,685,605
Receivables	6,777,673	12,516,216	(5,738,543)	12,153,513	362,703
Prepaid expenses	66,648	8,229	58,419	2,983,557	(2,975,328)
Net pension asset	-	-	-	12,047	(12,047)
Capital assets, net	49,381,974	47,252,222	2,129,752	40,895,229	6,356,993
Total Assets	92,112,446	88,354,638	3,757,808	81,936,712	6,417,926
Deferred Outflows of Resources	105,659	148,898	(43,239)	6,088	142,810
Current liabilities	6,551,688	5,656,763	894,925	4,237,994	1,418,769
Noncurrent liabilities	730,464	888,181	(157,717)	22,759	865,422
Total Liabilities	7,282,152	6,544,944	737,208	4,260,753	2,284,191
Net investment in capital assets	48,674,795	46,378,836	2,295,959	40,895,229	5,483,607
Unrestricted net position	36,261,158	35,579,756	681,402	36,786,818	(1,207,062)
Total Net Position	\$84,935,953	\$81,958,592	\$2,977,361	\$77,682,047	\$4,276,545

A substantial portion of the District's total net position reflects its investment in capital assets. These capital assets are used to provide bus services to Marin County residents and visitors. Consequently, these assets are not available for future spending. An additional portion of the District's net position represents resources that are subject to external restrictions imposed by grantors, contributors, or laws or regulations of other governments or constraints imposed by laws through constitutional provisions or enabling legislation, that restrict the use of net position. The remainder of the District's net position is unrestricted, and represents the District's reserve account. This reserve continues to meet the requirements of the Board of Directors adopted reserve policy.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET POSITION

The Statements of Activities and Changes in Net Position provide information regarding the District's revenues and expenses. The table below reflects a summary of the District's Statements of Activities and Changes in Net Position during the fiscal years ended June 30, 2023, 2022, and 2021.

	June 30, 2023	June 30, 2022	2023-2022 Increase (Decrease)	June 30, 2021	2022-2021 Increase (Decrease)
Operating Revenues					
Transit fares	\$2,863,261	\$2,494,806	\$368,455	\$1,456,012	\$1,038,794
Contractual compensation	1,220,388	1,607,414	(387,026)	1,291,815	315,599
Special fares and school bus revenue	334,991	304,605	30,386	193,008	111,597
Total Operating Revenues	4,418,640	4,406,825	11,815	2,940,835	1,465,990
Operating Expenses					
Purchased transportation services	29,353,390	24,818,237	4,535,153	23,220,993	1,597,244
Depreciation and amortization	4,774,382	4,784,362	(9,980)	4,479,124	305,238
Salaries and benefits	2,970,674	2,527,315	443,359	2,435,258	92,057
Fuel	2,902,027	2,997,169	(95,142)	1,891,121	1,106,048
Professional services	602,754	1,696,700	(1,093,946)	1,571,188	125,512
General and administrative	466,522	598,660	(132,138)	531,105	67,555
Lease and rentals	26,210	143,874	(117,664)	140,532	3,342
Maintenance and facility costs	711,664	393,610	318,054	249,147	144,463
Total Operating Expense	41,807,623	37,959,927	3,847,696	34,518,468	3,441,459
Operating Loss	(37,388,983)	(33,553,102)	(3,835,881)	(31,577,633)	(1,975,469)
Nonoperating Revenues (Expenses)					
Intergovernmental revenue	31,614,100	26,855,061	4,759,039	26,303,660	551,401
Property tax	5,705,817	5,382,566	323,251	5,025,293	357,273
Advertising and rentals	320,422	553,176	(232,754)	538,768	14,408
Gain on disposal of capital assets	30,870	32,281	(1,411)	110,250	(77,969)
Other revenues (expenses)	(229,468)	(577,472)	348,004	(106,156)	(471,316)
Interest expense	(16,753)	(1,552)	(15,201)	-	(1,552)
Total Nonoperating Revenues (Expenses)	37,424,988	32,244,060	5,180,928	31,871,815	372,245
Income Before Capital Contributions	36,005	(1,309,042)	1,345,047	294,182	(1,603,224)
Capital Contributions (Grants)					
Intergovernmental revenue	2,941,356	5,563,381	(2,622,025)	5,225,566	337,815
Other revenue	-	22,206	(22,206)	6,578	15,628
Total Capital Contributions (Grants)	2,941,356	5,585,587	(2,644,231)	5,232,144	353,443
Change in net position	2,977,361	4,276,545	(1,299,184)	5,526,326	(1,249,781)
Net Position at Beginning of Year	81,958,592	77,682,047	4,276,545	72,155,721	5,526,326
Net Position at End of Year	\$84,935,953	\$81,958,592	\$2,977,361	\$77,682,047	\$4,276,545

Revenues

Operating revenues remained stable at \$4.4 million in the fiscal year ended June 30, 2023, as compared to the fiscal year ended June 30, 2022. The new operations agreement with GGBHTD, effective October 2022 reduced the District's share of advertising revenue and lowered GGBHTD obligation to fund local paratransit.

The District's nonoperating revenues grew by \$5.2 million for the fiscal year ended June 30, 2023 compared to fiscal year ended June 30, 2022. The increase was primarily due increased Transportation Development Act funds due to an increased county allocation based on the District's strong ridership relative to other transit providers.

The majority of the District's construction and vehicle acquisitions are funded with capital contributions from other governmental units such as federal, state, and local agencies. Therefore, capital contribution revenue is tied to the District's capital purchases, which naturally fluctuate over time. In fiscal year ended June 30, 2023, the District's capital contributions decreased \$2.6 million due to fewer vehicle purchases.

Expenses

Operating expenses increased in both fiscal year ended June 30, 2023 and fiscal year ended June 30, 2022. In fiscal year ended June 30, 2023 the increases were in Purchase transportation services due to new contracts with increased hourly rates. Fuel expenses decreased in fiscal year ended June 30, 2023 after a large increase in fiscal year ended June 30, 2022 due to rising fuel prices. Salary and benefit costs in fiscal year ended June 30, 2023 increased due to increased benefit costs and a lower vacancy rate for positions.


CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Summary of Capital Assets (net of depreciation)

	Balance at June 30, 2023	Balance at June 30, 2022	Balance at June 30, 2021
Nondepreciable:			
Land	\$6,717,174	\$3,027,166	\$1,550,836
Work in progress	2,928,305	6,132,780	673,962
Total Nondepreciable	<u>9,645,479</u>	<u>9,159,946</u>	<u>2,224,798</u>
Capital Assets Being Depreciated			
Revenue Vehicles	24,360,205	23,518,043	26,419,635
Facilities and stops	7,199,527	7,517,652	7,838,121
Communication and data equipment	730,836	623,807	621,442
Fare revenue collection equipment	2,235	5,875	13,226
Furniture and fixtures	110,707	126,604	24,073
Administrative buildings	3,552,643	3,519,724	3,673,033
Maintenance buildings	3,053,727	1,908,426	
Non-revenue vehicles	34,914		80,901
Total capital assets, being depreciated	<u>39,044,794</u>	<u>37,220,131</u>	<u>38,670,431</u>
Right-to-use Leased Assets Amortized			
Office Space	691,701	872,145	
Total Right-to-use Leased Assets Amortized	<u>691,701</u>	<u>872,145</u>	
Capital Assets, Net	<u><u>\$49,381,974</u></u>	<u><u>\$47,252,222</u></u>	<u><u>\$40,895,229</u></u>

The District's investment in capital assets amounts to \$49,381,974 and \$47,252,222 as of June 30, 2023 and 2022, respectively (net of accumulated depreciation). This investment in capital assets includes vehicles, facilities and stops, communication and data equipment, fare revenue collection equipment, and furniture and fixtures. Net assets increased in fiscal year 2023 by 5% after increasing 16% in fiscal year 2022.



The most significant additions to the District's capital assets in the year ended June 30, 2023 were the purchase of property to expand an existing operations maintenance facility and other capital improvements at the District's facilities. The most significant additions to the District's capital assets in the year ended June 30, 2022, were in Work in Progress with the purchase of four 40ft electric transit buses and improvements to the District's facilities. More detail on capital costs for fiscal years ended June 30, 2023 and June 30, 2022, is included on page 24 of this report.

DEBT ADMINISTRATION

Pursuant to the enabling legislation (Marin County Transit District Act of 1964, § 70225), the District has the authority to issue debt. Currently, the District has no outstanding debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET


The COVID-19 pandemic created uncertainty for District revenues and transit demand levels. The District entered this period of disruption in a strong financial position and federal relief funding along with significant reserves allowed the District to continue to provide services. The significant uncertainties and fluctuations that were central to the budget cycles during the first three years of the pandemic have calmed. Marin Transit maintained fixed route service levels and continued to gain ridership throughout the pandemic. In FY2022/23 fixed route ridership was at 90% of pre-COVID levels. The COVID-19 pandemic reduced paratransit demand more significantly than fixed route service and the demand has returned more slowly. Marin Transit's contract service operations expenses continue to be the District's largest expense and are 79% of operations costs. The District had challenges with missed trips and service quality but worked with contractors to make changes to address increased costs due to inflation and changing service conditions. New contracts led to increased purchased transportation costs. Marin Transit started a new contract with Golden Gate Bridge Highway and Transportation District (GGBHTD) effective October 1, 2022, re-procured contracts for yellow school bus service and the Muir Woods Shuttles, and negotiated a two year contract extension with Marin Airporter effective July 1, 2023.

Marin County voters passed Measure AA on November 6, 2018, to reauthorize and extend the local transportation sales tax for 30 years. The new measure continues to prioritize local transit and the expenditure plan specifies that 55 percent of allocated sales tax revenues will go to local transit. Sales tax revenue in Marin County has continued to provide stable operation revenues throughout the pandemic. Local sales tax revenues have grown, state operations revenues have increased, and the budget includes the final expenditure of federal relief funds. Offsetting the strong revenue growth, inflation is at record highs and driving labor shortages that translate to increases in purchased transportation costs and challenges maintaining service quality.

The District's long term financial stability is less certain and there are increasing challenges due to the tight labor market. It continues to be difficult for our contractors to hire and retain frontline staff. This challenge is manifesting in missed service, difficulty adding service, increased costs to our contractors, and ultimately increased costs for the District as purchased transportation contracts are rebid or renegotiated.

The lack of ownership of sufficient zero emission bus charging, parking, and maintenance facilities continues to be a critical vulnerability in ensuring long term financial stability. The District purchased the Rush Landing bus parking facility in FY2019/20, purchased a paratransit maintenance facility, in San Rafael in FY2021/22 and initiated a purchase of a small parking facility adjacent to the paratransit maintenance facility in FY2022/23. The District received a federal grant of \$31.5 million towards the purchase of an electric vehicle charging and fixed route maintenance facility.

The District adopted an update to the Short Range Transit Plan (SRTP) on December 5, 2022. The 2023-2028 SRTP provides the framework for service and capital planning for the next ten years. Financial projections are updated and a financially constrained plan and priorities for services and projects are established for potential future new revenues. The SRTP financial plan guides financial decision-making



for the agency and is the basis for analyzing longer range financial impacts of changes in costs and revenues. The SRTP is updated every two to four years and the District plans to do another full update in 2024.

The District continues to evaluate all services provided with an emphasis on improving the efficiency and convenience of the transit system for riders. Staff provides regular quarterly financial updates to the Board of Directors to monitor the District's financial position. The District continues to provide the highest levels of local bus service possible while ensuring financial stability.

REQUESTS FOR INFORMATION

This financial report is designed to provide our residents, taxpayers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the funds under its stewardship.

Please address any questions about this report or requests for additional financial information to our office at 711 Grand Avenue, Suite 110, San Rafael, California 94901.

Respectfully submitted,



Nancy Whelan
General Manager

MARIN COUNTY TRANSIT DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023
WITH SUMMARIZED TOTALS AS OF JUNE 30, 2022

	2023	2022
ASSETS		
Current Assets		
Cash and investments (Note 2)	\$35,886,151	\$28,577,971
Accounts receivables:		
State grants	743,401	
Transportation Authority of Marin	4,947,237	5,499,247
Federal grants	540,322	2,983,802
Golden Gate Bridge Highway and Transit District	381,165	904,562
County of Marin	74,153	2,299,361
Other receivables	91,395	829,244
Prepaid expenses	66,648	8,229
Total current assets	42,730,472	41,102,416
Noncurrent Assets		
Capital Assets (Note 3):		
Not depreciated	9,645,479	9,159,946
Depreciable assets, net	39,044,794	37,220,131
Right-to-use leased assets, net	691,701	872,145
Total capital assets	49,381,974	47,252,222
Total noncurrent assets	49,381,974	47,252,222
Total Assets	92,112,446	88,354,638
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow Pension related (Note 7)	105,659	148,898
Total Deferred Outflows of Resources	105,659	148,898
Total Assets and Deferred Outflows of Resources	92,218,105	88,503,536
LIABILITIES AND NET POSITION		
Current Liabilities		
Account payable	4,969,788	4,834,429
Accrued payroll and benefits	124,425	88,945
Unearned revenue	1,198,146	466,327
Compensated absences - current portion (Note 4)	85,682	100,856
Lease liability - current portion (Note 4)	173,647	166,206
Total current liabilities	6,551,688	5,656,763
Noncurrent Liabilities		
Compensated absences (Note 4)	41,291	2,560
Lease liability (Note 4)	533,532	707,180
Net pension liability (Note 7)	155,641	178,441
Total noncurrent liabilities	730,464	888,181
Total Liabilities	7,282,152	6,544,944
NET POSITION		
Net investment in capital assets	48,674,795	46,378,836
Unrestricted (Note 1M)	36,261,158	35,579,756
Total Net Position	\$84,935,953	\$81,958,592

See accompanying notes to basic financial statements

MARIN COUNTY TRANSIT DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023
WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2022

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Transit fares	\$2,863,261	\$2,494,806
Contractual compensation	1,220,388	1,607,414
Special fares	291,465	258,493
School bus services revenues	43,526	46,112
	<u>4,418,640</u>	<u>4,406,825</u>
OPERATING EXPENSES		
Purchased transportation services	29,353,390	24,818,237
Depreciation and amortization (Note 3)	4,774,382	4,784,362
Salaries and benefits	2,970,674	2,527,315
Fuel	2,902,027	2,997,169
Professional services	602,754	1,696,700
General and administrative	215,512	411,724
Utilities	461,010	205,875
Marketing	127,998	56,052
Lease and rentals	26,210	143,874
Other services	26,935	51,120
Casualty and liability costs	96,077	79,764
Maintenance costs	233,618	167,280
Capital costs	17,036	20,455
	<u>41,807,623</u>	<u>37,959,927</u>
OPERATING LOSSES	<u>(37,388,983)</u>	<u>(33,553,102)</u>
NON-OPERATING REVENUES (EXPENSES)		
Intergovernmental revenue (Note 5)	31,614,100	26,855,061
Property tax revenue	5,705,817	5,382,566
Advertising and other	227,233	232,513
Rental income	93,189	320,663
Interest income	285,138	14,463
Interest expense	(16,753)	(1,552)
Gain on disposal of capital assets	30,870	32,281
Pass through of Measure AA funds	(514,606)	(591,935)
	<u>37,424,988</u>	<u>32,244,060</u>
Net non-operating revenues, before capital contributions (grants)	<u>37,424,988</u>	<u>32,244,060</u>
Capital contributions (grants) (Note 5):		
Intergovernmental revenue	2,941,356	5,563,381
Other revenue		22,206
	<u>2,941,356</u>	<u>5,585,587</u>
Net non-operating revenues and contributions	<u>40,366,344</u>	<u>37,829,647</u>
Change in net position	2,977,361	4,276,545
NET POSITION,		
Beginning of Year	<u>81,958,592</u>	<u>77,682,047</u>
End of Year	<u><u>\$84,935,953</u></u>	<u><u>\$81,958,592</u></u>

See accompanying notes to basic financial statements

MARIN COUNTY TRANSIT DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$9,668,614	\$1,782,025
Cash receipts from contracts	1,220,388	1,607,414
Cash paid to suppliers for purchased transportation service	(29,276,450)	(19,928,536)
Cash paid to suppliers for goods and services	(4,709,177)	(5,830,013)
Cash paid to employees for services	<u>(2,891,198)</u>	<u>(2,506,963)</u>
Net Cash Used by Operating Activities	<u>(25,987,823)</u>	<u>(24,876,073)</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES		
Property taxes received	5,705,817	5,382,566
Rent and lease receipts	93,189	320,663
Advertising and other	189,519	215,544
Intergovernmental revenues received	<u>31,099,494</u>	<u>26,280,095</u>
Net Cash Provided by Noncapital Financing Activities	<u>37,088,019</u>	<u>32,198,868</u>
CASH FLOWS FORM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sale of capital assets	30,870	32,281
Acquisition of capital assets	(6,904,134)	(10,239,136)
Payment of lease liability	(128,493)	(28,833)
Payment of interest expense	(16,753)	(1,552)
Capital contribution revenues received	<u>2,941,356</u>	<u>5,585,587</u>
Net Cash (Used) Provided by Capital and Related Financing Activities	<u>(4,077,154)</u>	<u>(4,651,653)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	<u>285,138</u>	<u>14,463</u>
Net Cash Provided by Investing Activities	<u>285,138</u>	<u>14,463</u>
Net Increase in Cash, Cash Equivalents, and Investments	7,308,180	2,685,605
CASH AND INVESTMENTS AT BEGINNING OF YEAR	<u>28,577,971</u>	<u>25,892,366</u>
CASH AND INVESTMENTS AT END OF YEAR	<u><u>\$35,886,151</u></u>	<u><u>\$28,577,971</u></u>
Reconciliation of operating loss to net cash provided (used) by operating activities:		
Operating losses	(\$37,388,983)	(\$33,553,102)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	4,774,382	4,784,362
(Increase) Decrease in accounts receivable	5,738,543	(362,703)
Decrease (Increase) in prepaid expenses	(58,419)	2,975,328
Decrease (Increase) in net pension liability (asset)	20,439	47,678
Increase (Decrease) in accounts payable	135,359	1,914,373
Increase (Decrease) in accrued payroll and benefits	35,480	2,538
(Decrease) Increase in unearned revenue	731,819	(654,683)
Decrease compensated absences	<u>23,557</u>	<u>(29,864)</u>
Net cash provided (used) by operating activities	<u><u>(\$25,987,823)</u></u>	<u><u>(\$24,876,073)</u></u>

See accompanying notes to basic financial statements

MARIN COUNTY TRANSIT DISTRICT
STATEMENT OF FIDUCIARY NET POSITION - RETIREMENT PLAN
JUNE 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Contributions receivable	\$12,506	\$9,037
Investments		
Fixed income	1,623	
Target date funds	1,999,921	1,530,550
Bond funds	119,767	74,683
Stock mutual funds	<u>120,581</u>	<u>215,422</u>
Total Investments	<u>2,254,398</u>	<u>1,829,692</u>
 TOTAL ASSETS	 <u>2,254,398</u>	 <u>1,829,692</u>
 TOTAL NET POSITION RESTRICTED FOR RETIREMENT BENEFITS	 <u><u>\$2,254,398</u></u>	 <u><u>\$1,829,692</u></u>

MARIN COUNTY TRANSIT DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - RETIREMENT PLAN
FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ADDITIONS		
Contributions - employer	\$280,324	\$247,644
Increase in investments	174,346	(386,918)
Dividends	41,926	46,243
Capital Gains	<u>14,456</u>	<u>17,463</u>
TOTAL ADDITIONS	<u>511,052</u>	<u>(75,568)</u>
DEDUCTIONS		
Administrative expenses	(9,400)	(9,858)
Withdrawals	<u>(76,946)</u>	<u>(109,099)</u>
TOTAL DEDUCTIONS	<u>(86,346)</u>	<u>(118,957)</u>
NET INCREASE IN NET POSITION	424,706	(194,525)
 NET POSITION RESTRICTED FOR RETIREMENT BENEFITS -BEGINNING OF YEAR	 <u>1,829,692</u>	 <u>2,024,217</u>
 NET POSITION RESTRICTED FOR RETIREMENT BENEFITS -END OF YEAR	 <u><u>\$2,254,398</u></u>	 <u><u>\$1,829,692</u></u>

See accompanying notes to basic financial statements

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Marin County Transit District (the District) are in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of the significant accounting policies:

A. *Reporting Entity*

The District is a special district created by the authority of the Marin County Transit District Act of 1964. The District's purpose is to develop, finance, organize, and provide local Marin County transit service. Revenues are derived principally from property taxes, aid from other governmental entities, transportation contract revenue, and transit fare revenue.

The District is governed by a seven-member Board of Directors (the Board) comprised of the members of the Board of Supervisors of the County of Marin (the County) and two members chosen from city council persons or mayors of cities within the County. The District is a component unit of the County because the County controls the District's Board and may impose its will on the District.

The District contracts with five transit providers to operate transit services in Marin County:

Golden Gate Bridge Highway and Transportation District (Golden Gate): Since 1971, the District has contracted with Golden Gate to provide local transit services. In May of 2015, the District and Golden Gate entered into an agreement for transit services for the period July 1, 2014 through June, 30, 2020, that contained options to extend the contract for two additional one-year periods. As of June 30, 2022 both option years had been executed and an additional amendment was signed extending the agreement through December 31, 2022 while a new contract was negotiated. A new fixed route transit service contract was signed for the period October 1, 2022 through June 30, 2026 with the option to extend the contract for two additional one-year periods. The contract specifies a rate per revenue hour and range of minimum and maximum revenue hours to be incurred each fiscal year for the term of the agreement and the two option years. The District sets the fare structure and rates, and establishes the service levels and the frequency of local transit services. Golden Gate collects passenger fares for the District's routes. This inter-agency agreement uses a different financial structure than the prior agreement which simplifies the payment process between the two Districts, but also has financial and contractual implications. The new operations agreement with GGBHTD, reduces the District's share of advertising and eliminates direct payments for customer service and maintenance of the San Rafael Transit Center.

Under the terms of the yearly agreements in place for the fiscal years ended June 30, 2023 and 2022, Golden Gate operated six local fixed routes. The total cost of local bus transit service under these agreements during the fiscal years ended June 30, 2023 and 2022, was \$12,155,247 and \$11,385,515, respectively. Related fare revenue, advertising revenue, and other revenue earned for the fiscal years ended June 30, 2023 and 2022, was \$2,707,203 and \$3,142,327, respectively. Golden Gate was compensated for operating costs based on revenue hours incurred multiplied by a rate per hour specified. The District also pays for customer service, operation of the San Rafael Transit Center, fuel and electrical power costs and a contribution to capital assets purchased before the agreement.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Under the local paratransit agreement, the District contracts for local and inter-county (regional) paratransit service on behalf of Golden Gate. With the implementation of the Americans with Disabilities Act (ADA), Golden Gate was required to provide complementary local and inter-county paratransit services. Golden Gate contracted with the District to be the primary public entity responsible to provide these inter-county paratransit services. The District, in turn, contracted with Transdev Transportation Inc., to provide the actual services, with the understanding that the District would be adequately compensated by Golden Gate. The new operations agreement with GGBHTD, effective October 2022 lowered GGBHTD's obligation to fund local paratransit.

Marin Airporter: Marin Airporter operates Local Fixed Route service and Community Shuttle Service. Marin Airporter has operated the Community Shuttle Service since 2006. The current three-year contract with two option years was awarded in 2018 through a competitive bid process. Fare revenue on this service is collected through the District's GFI fare box system and is deposited directly into the District's account. An amendment was signed in April 2023 to extend the current contract an additional two years and increase service hours effective July 1, 2023.

MV Transportation, Inc.: MV Transportation, Inc., operated turn-key service on the Muir Woods Shuttle, Local Fixed Route Service, and Rural Service. This included two rural routes established by the District and paid for in part by Federal Section 5311 Rural funding. This three-year contract, with two option years, was awarded in 2018 through a competitive bid process. Fare revenue on the service was collected through the District's GFI fare box system and was deposited directly into the District's account. The National Park Service pays for 50% of the Muir Woods Shuttle program. This contract ended June 30, 2023.

Transdev Transportation, Inc.: The District signed a new competitive bid contract with Transdev Transportation, Inc (Transdev) on September 13, 2021. Paratransit service and associated Marin Access programs transitioned to Transdev on February 1, 2022. The Transdev contract is 3 years and 5 months with 3 one-year options. Transdev operates services out of a District owned maintenance facility (3000 Kerner) and parks vehicles at locations owned by Golden Gate. Paratransit services consist of demand responsive services for the disabled, which meets the requirements of the ADA and other federal provisions. Under the contract, Transdev provides the paratransit services and collects all the fare revenues. Transdev bills the District monthly for the net cost of services on an agreed-upon monthly fixed fee plus an hourly rate. The District receives reimbursement from Golden Gate for the actual cost of the inter-county (regional) portion of this service and a portion of the local paratransit services.

Marin Senior Coordinating Council, Inc.: The District's contracted Marin Senior Coordinating Council, Inc., (MSCC, also known as "Whistlestop") in 2009 to provide local paratransit services. Paratransit services consist of demand responsive services for the disabled, which meets the requirements of the ADA and other federal provisions. Under the contract, MSCC provided the paratransit services and collected all the fare revenues. MSCC billed the District monthly for the net cost of services on an agreed-upon hourly basis. Services under this contract ended January 31, 2022.

MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

Michael's Transportation Services: Michael's Transportation Services provided a six-yellow bus service to the Ross Valley School District. The three-year contract, with two option years, was awarded in 2018 through a competitive bid process. Fare revenue on this service was collected through District pass sales and deposited into the District's account. This contract ended June 30, 2023 and a new competitively bid contract was awarded to Bauer's Intelligent Transportation Inc beginning August 10, 2023.

Bauer's Intelligent Transportation: Bauer's Intelligent Transportation operates a pilot Muir Woods Shuttle Service. The length of this pilot will be 23 weeks from May 2023 – October 2023 providing service to and from the Muir Woods National Park. The National Park Service pays for 50% of the Muir Woods Shuttle program and the future of the program will be reviewed and discussed after the pilot period ends.

B. Joint Ventures

The District participates in two joint ventures. One joint venture is for risk management as disclosed in Note 11. The second joint venture is the Marin Emergency Radio Authority (the Authority). The Authority is responsible for acquiring, constructing, improving, and operating a countywide emergency radio system. During the fiscal year ended June 30, 1999, the Authority issued Revenue Bonds to be used for the acquisition of the radio system. The District is responsible for a 1.18% share of the annual contributions to the Authority for operations, which also covers debt payments. The amount of the contribution is disclosed in Note 12. The District is not directly responsible for liabilities of the Authority and only has a residual equity interest in the Authority that would result in the District's proportional share of residual assets being distributed to the District, if any, if the members vote to terminate the Authority. The Authority issues separate financial statements, which are available at: Marin Emergency Radio Authority, c/o Novato Fire Protection District, 95 Rowland Way, Novato, California 94945 or www.meraonline.org/contact.

C. Basis of Presentation

The basic financial statements of the District have been prepared in conformity with GAAP as applied to government units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District applies all applicable GASB pronouncements in its accounting and financial reporting. The more significant of the District's accounting policies are described below.

The District's resources are allocated to and accounted for in these financial statements as an enterprise fund type of the proprietary fund group. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other policies. Net position for the enterprise fund represents the amount available for future operations.

MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of this fund are included on the Statement on Net Position. Net position is segregated into the net investment in capital assets, amounts restricted, and amounts unrestricted. Enterprise fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

The District uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Grant revenue is recognized when program expenditures are incurred in accordance with program guidelines. When such funds are received, they are recorded as unearned revenues until earned. Transportation Development Act (TDA) revenues are recorded when all eligibility requirements have been met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District are charges to customers for transportation services, contractual compensation, and advertising. Operating expenses include the cost of purchased transportation services, contract labor, fuel, depreciation, professional services, leases and rentals, general and administrative, direct labor, marketing, utilities, and other operating expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

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

E. Cash and Cash Equivalents

The District defines cash and cash equivalents as cash on hand, demand deposits, and short-term investments, including the investment in the County investment pool. For the purposes of reporting cash flows, the District considers all cash and highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Additionally, one contractor who provides transportation services offsets certain types of revenues and expenses against monthly transportation service charges. Only the actual cash transactions are shown on the Statement of Cash Flows.

F. Prepaid Expenses

Prepaid expenses are costs paid as of the Statement of Net Position date that are related to future accounting periods. Prepaid expenses at June 30, 2023 and 2022, consisted mainly of prepaid software maintenance costs.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets

Capital assets are valued at historical cost. Donated capital assets are reported at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The District's policy defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Provision is made for depreciation on the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Revenue vehicles.....	3 – 12 years
Facilities and stops	5 – 30 years
Communication and data equipment	3 – 5 years
Fare revenue and collection equipment	5 years
Furniture and fixtures	8 years
Non-revenue vehicles.....	2 years

Maintenance and repairs are expensed as operating expenses when incurred. Betterments that increase the useful lives or capacity of existing capital assets are capitalized when incurred. Costs of assets sold or retired (and the related amounts of accumulated depreciation) are eliminated from the capital asset accounts in the fiscal year of sale or retirement and the resulting gain or loss is included in nonoperating revenues (expenses).

Occasionally, the District reimburses other organizations for the purchases of vehicles, facilities, and other assets. For the reimbursements in which the District does not own the assets, the transaction is recorded as capital costs within operating expenses on the Statement of Activities and Changes in Net Position.

H. Unearned Revenue

Unearned revenue at June 30, 2023, was primarily Low Carbon Transit Operations Program (LCTOP) funds for EV vehicle and infrastructure improvements for future periods. Unearned revenue at June 30, 2022, was primarily other State funding from State of Good Repair program (Note 9) for upcoming replacement of 40ft transit buses and funds from yellow bus pass sales for service in fiscal year ending June 30, 2023.

I. Compensated Absences

At June 30, 2023 and 2022, the District's employment policy allows employees to accumulate earned, but unused, vacation leave time. Vacation accrues at a rate of 80 hours per year until the third consecutive year of employment when an additional 40 hours are earned. Administrative leave and sick leave is provided to employees, but is not payable at separation or retirement and is not accrued as part of compensated absences. The current portion of the long-term liability is estimated based on historical trends.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Property Taxes

The County levies taxes and places liens on real property as of January 1 on behalf of the District. Property taxes are due the following November 1 and March 1 and become delinquent December 10 and April 10 for the first and second installments, respectively. Unsecured property taxes are levied throughout the fiscal year.

In 1993, the District entered into an agreement (commonly known as the Teeter Plan) with the County. The Teeter Plan calls for the County to advance the District its share of the annual gross levy of secured property taxes and special assessments. In consideration, the District gives the County its rights to penalties and interest on delinquent secured property tax receivables and actual proceeds collected. The other receivables line on the Statement of Net Position refers mainly to unsecured property taxes.

K. Measure AA (Previously Measure A)

The County's voters passed a ½ cent sales tax measure (Measure A) in 2004 to provide local funding and investment for transportation infrastructure and programs. The tax went into effect on April 1, 2005, and lasts for a period of 20 years. Under the sales tax expenditure plan, fifty-five percent (55%) of Measure A was available for Local Transit service.

The County's voters reauthorized and extended the ½ cent sales tax measure for 30 years in November 2018. The tax (Measure AA) went into effect March 1, 2019, with a period of 30 years and replaces Measure A. Under the updated sales tax expenditure plan, fifty-five percent (55%) of Measure AA is available for Transit with forty-five and ½ percent (45.5%) available for Local Transit service. The Transportation Authority of Marin (TAM) is the transportation sales tax authority in the County. TAM makes Measure AA funding available to the District based on projections, and adjusts future year balances to account for actual receipts. The District requests Measure AA funds on a reimbursement basis and does not carry an unspent balance of these funds.

L. Measure B

In 2010, the County's voters approved Measure B, the Vehicle Registration Fee Initiative that collects \$10 annually for each vehicle registered in the County for the purpose of improving transportation within the County. The TAM board adopted the Measure B Expenditure Plan on July 28, 2011, and is effective for 10 years. The Measure B Expenditure Plan designates 35% of the funds generated to be used to fund senior and disabled transportation services in the County, and the District is the designated agency to manage this component. The District requests Measure B funds on a reimbursement basis and does not carry an unspent balance of these funds.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Net Position

Net position is categorized as net investment in capital assets, restricted, and unrestricted as follows:

Net Investment in Capital Assets – The net investment in capital assets groups all capital assets into one category of net position, which is reduced by accumulated depreciation.

Restricted Net Position – Restricted net position represents amounts that are legally restricted for specific uses. The amount reported as restricted for capital additions represents a gain on sale of Federal Transit Administration (FTA) funded buses that must be used for future bus acquisitions.

Unrestricted Net Position – Unrestricted net position represents amounts not restricted for any other project.

The District's Board approved a reserve policy for unrestricted net position allowing for a minimum of two months and maximum of six months of operating expenses to be reserved. An emergency reserve of two months of operating expenses and contingency reserve of more than two months but less than four months of operating expenses were approved under the policy. The emergency reserve is available for one-time, unanticipated expenditures or to offset unanticipated revenue fluctuations. The contingency reserve is available to maintain current transit service levels during revenue declines or slower than anticipated revenue growth. During the fiscal year ended June 30, 2018, a capital reserve was approved by the Board. Reserves were as follows at June 30:

	June 30, 2023	June 30, 2022
Emergency reserve	\$6,742,000	\$5,896,957
Contingency Reserve	13,484,000	11,793,914
Capital Reserve	16,035,158	17,888,885
	\$36,261,158	\$35,579,756

N. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Leases

The District is a lessee for an office lease. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in its financial statement. At the commencement of a lease, District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. The District also established a threshold for leases that have an annual exchange value of greater than \$100,000 or a total contract value of \$500,000 or be part of an asset group of similar assets that when combined exceed one or both of these thresholds. There was only one lease subject to GASB 87 in 2023.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

P. Reclassification

For the year ended June 30, 2023, certain classifications have been changed to improve financial statement presentation. For comparative purposes, prior year balances have been reclassified to conform with the fiscal year 2022 presentation.

Q. New Accounting Pronouncements – Implemented

GASB Statement No. 96 - In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The provisions of this Statement were implemented during fiscal year 2023. As part of the implementation of this Statement, the District accounted for all subscription transactions and has determined that there are no subscriptions that meet these requirements to be disclosed in the financial statement under GASB 96.

R. Future Accounting Pronouncements

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

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Prior-Period Comparative Statements

The basic financial statements include certain prior-year summarized comparative information in total, but not at the level of detail required for a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

	2023	2022
Cash on hand	\$23	\$23
Bank deposits	10,671,864	6,284,857
County of Marin investment pool	25,214,264	22,293,091
Total Cash, Cash Equivalents, and Investments	\$35,886,151	\$28,577,971

Investment in the County of Marin Investment Pool

The District's Financial Management Policies indicate the District will invest excess funds in the County's investment pool. The County's investment pool is monitored and reviewed by a Treasury Oversight Committee (Committee). The Committee and County Board of Supervisors review and approve the County's investment policy yearly. The County's investment pool is not registered by the Securities and Exchange Commission. Interest earned on the pool is allocated to participants quarterly using the average daily cash balance of each fund. Investments held in the County's investment pool are available on demand to the District and are stated at amortized cost, which approximates fair value. The investment in the County pool is withdrawn on the amortized cost basis, which is different than the fair value of the District's investment in the pool. More information about the County's investment pool can be found in the notes to the County's basic financial statements at <https://www.marincounty.org>.

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. As of June 30, 2023 and 2022, the weighted average maturity of the investments contained in the County's investment pool was approximately 196 and 236, respectively.

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's investment pool has maintained the highest rating of AAA by Fitch Ratings, a nationally recognized statistical rating organization, since 1994.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

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

Custodial credit risk

Custodial risk is the risk that the government will not be able to recover its deposits or the value of its investments that are in the possession of an outside party. Custodial credit risk does not apply to a local government's indirect deposits or investment in securities through the use of government investment pools (such as the County's investment pool). At June 30, 2023 and 2022, the carrying amount of the District's deposits was \$10,671,864 and \$6,284,857, respectively, and the balance in the financial institutions was \$10,888,010 and \$6,316,160, respectively. Of the balances in financial institutions, \$250,000 at June 30, 2023 and 2022, was covered by federal depository insurance and the remaining amount was secured by a pledge of securities by the financial institution, but not in the name of the District.

NOTE 3 – CAPITAL ASSETS

Capital asset activity was as follows for the fiscal years ended June 30:

	Balance June 30, 2022	Additions / Adjustments	Retirements	Transfers	Balance June 30, 2023
Nondepreciable:					
Land	\$3,027,166	\$3,514,715		\$175,293	\$6,717,174
Work in progress	6,132,780	2,040,300		(5,244,775)	2,928,305
Total capital assets, not being depreciated	<u>9,159,946</u>	<u>5,555,015</u>		<u>(5,069,482)</u>	<u>9,645,479</u>
Capital assets, being depreciated:					
Revenue Vehicles	40,767,669	773,885	(\$372,581)	3,767,917	44,936,890
Facilities and stops	9,310,585				9,310,585
Communication and data equipment	1,728,266	307,025		45,134	2,080,425
Fare revenue collection equipment	434,929				434,929
Furniture and fixtures	232,770	2,435			235,205
Administrative buildings	4,045,565			259,890	4,305,455
Maintenance buildings	1,945,690	228,875		996,220	3,170,785
Non-revenue vehicles	396,744	36,899		321	433,964
Total capital assets, being depreciated	<u>58,862,218</u>	<u>1,349,119</u>	<u>(\$372,581)</u>	<u>5,069,482</u>	<u>64,908,238</u>
Less accumulated depreciation for:					
Revenue Vehicles	(17,249,626)	(3,699,640)	372,581		(20,576,685)
Facilities and stops	(1,792,933)	(318,125)			(2,111,058)
Communication and data equipment	(1,104,459)	(245,130)			(1,349,589)
Fare revenue collection equipment	(429,054)	(3,640)			(432,694)
Furniture and fixtures	(106,166)	(18,332)			(124,498)
Administrative buildings	(525,841)	(226,971)			(752,812)
Maintenance buildings	(37,264)	(79,794)			(117,058)
Non-revenue vehicles	(396,744)	(2,306)			(399,050)
Total accumulated depreciation	<u>(21,642,087)</u>	<u>(4,593,938)</u>	<u>\$372,581</u>		<u>(25,863,444)</u>
Total capital assets, being depreciated, net	<u>37,220,131</u>	<u>(3,244,819)</u>		<u>\$5,069,482</u>	<u>39,044,794</u>
Right-to-use leased assets, amortizable:					
Office Space	902,219				902,219
Total right-to-use leased assets, being amortizable	<u>902,219</u>				<u>902,219</u>
Less accumulated amortization:					
Office space	(30,074)	(180,444)			(210,518)
Total Right to Use Lease Assets, Amortizable net	<u>872,145</u>	<u>(180,444)</u>			<u>691,701</u>
Total Capital Assets Net	<u>\$47,252,222</u>	<u>\$2,129,752</u>			<u>\$49,381,974</u>

Depreciation and amortization expense for the fiscal year ended June 30, 2023, was \$4,774,382.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 3 – CAPITAL ASSETS (Continued)

	Balance June 30, 2021	Additions / Adjustments	Retirements	Transfers	Balance June 30, 2022
Nondepreciable:					
Land	\$1,550,836	\$1,323,613		\$152,717	\$3,027,166
Work in progress	673,962	5,961,113		(502,295)	6,132,780
Total capital assets, not being depreciated	2,224,798	7,284,726		(349,578)	9,159,946
Capital assets, being depreciated:					
Revenue Vehicles	40,972,893	947,774	(\$1,158,796)	5,798	40,767,669
Facilities and stops	9,310,585				9,310,585
Communication and data equipment	1,522,292	81,037	(32,189)	157,126	1,728,266
Fare revenue collection equipment	434,929				434,929
Furniture and fixtures	123,907	108,863			232,770
Administrative buildings	3,987,865	57,700			4,045,565
Maintenance buildings		1,759,036		186,654	1,945,690
Non-revenue vehicles	396,744				396,744
Total capital assets, being depreciated	56,749,215	2,954,410	(1,190,985)	349,578	58,862,218
Less accumulated depreciation for:					
Revenue Vehicles	(14,553,258)	(3,855,164)	1,158,796		(17,249,626)
Facilities and stops	(1,472,464)	(320,469)			(1,792,933)
Communication and data equipment	(900,850)	(235,798)	32,189		(1,104,459)
Fare revenue collection equipment	(421,703)	(7,351)			(429,054)
Furniture and fixtures	(99,834)	(6,332)			(106,166)
Administrative buildings	(314,832)	(211,009)			(525,841)
Maintenance buildings		(37,264)			(37,264)
Non-revenue vehicles	(315,843)	(80,901)			(396,744)
Total accumulated depreciation	(18,078,784)	(4,754,288)	\$1,190,985		(21,642,087)
Total capital assets, being depreciated, net	38,670,431	(1,799,878)		\$349,578	37,220,131
Right-to-use leased assets, amortizable:					
Office Space		902,219			902,219
Total right-to-use leased assets, being amortizable		902,219			902,219
Less accumulated amortization:					
Office space		(30,074)			(30,074)
Total Right to Use Lease Assets, Amortizable net		872,145			872,145
Total Capital Assets Net	\$40,895,229	\$6,356,993			\$47,252,222

Depreciation and amortization expense for the fiscal year ended June 30, 2022, was \$4,784,362.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 4 – LONG-TERM LIABILITY

Long-term liability activity was as follows for the fiscal years ended June 30, 2023, and 2022:

	Balance at July 1, 2022	Additions	Reductions	Balance at June 20, 2023	Due Within One Year
Lease liability	\$873,386		(\$166,207)	\$707,179	\$173,647
Compensated absences	103,416	\$38,731	(15,174)	126,973	85,682
	\$976,802	\$38,731	(\$181,381)	\$834,152	\$259,329
	Balance at July 1, 2021	Additions	Reductions	Balance at June 20, 2022	Due Within One Year
Lease liability		\$902,219	(\$28,833)	\$873,386	\$166,207
Compensated absences	\$133,280	122,429	(152,293)	103,416	100,856
	\$133,280	\$1,024,648	(\$181,126)	\$976,802	\$267,063

Lease liability

On April 4, 2022, the District entered into a contract lease for approximately 6,465 rentable square feet at 711 Grand Avenue for the location of Marin Transit’s administrative offices. The term is for five years commencing May 1, 2022, and expiring April 30, 2027. The base rent is \$15,193 per month with a 2.1% annual escalation, due the first day of each month commencing May 1, 2022. In accordance with GASB Statement No. 87, the District recognized a right-to-use leased asset of \$902,219 and with related accumulated amortization \$180,444 and \$30,074 as of June 30, 2023, and 2022, respectively.

At June 30, 2023, future minimum payments on the lease liabilities were as follows:

June 30,	Principal	Interest	Total
2024	\$173,647	\$13,191	\$186,838
2025	181,246	9,472	190,718
2026	189,005	5,591	194,596
2027	163,281	1,576	164,857
	\$707,179	\$29,830	\$737,009

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 5 – INTERGOVERNMENTAL REVENUE

The following is the detail of intergovernmental revenues for the fiscal years ended June 30:

	2023		
	Nonoperating	Capital	Total
Federal revenue:			
FTA			
Section 5307 (ADA Set-Aside)	\$1,039,640		\$1,039,640
Section 5307 (Preventative Maintenance)	239,570		239,570
Section 5307 (Vehicle/Equipment purchase)		\$106,360	106,360
Section 5307 (ARPA)	3,589,664		3,589,664
Section 5310 (Mobility Management)	9,330		9,330
Section 5311 grant (Stagecoach operating)	297,303		297,303
Section 5311 (ARPA)	246,000		246,000
United States Department of the Interior			
National Park Service	521,982		521,982
National Park Service - Fare Revenue	205,830		205,830
Total federal revenue	<u>6,149,319</u>	<u>106,360</u>	<u>6,255,679</u>
State revenue:			
TDA	10,909,658		10,909,658
State Transit Assistance (STA)			-
STA (Operations - Revenue Based)	1,500,000		1,500,000
STA (Operations - Population Based)	1,520,408		1,520,408
STA (Operations - Population Based - Clipper)	626		626
State Renewable Energy Credits	6,915		6,915
Home Owner Property Tax Relief	18,298		18,298
Low Carbon Transit Operations Program (LCTOP)		40,988	40,988
California Department of Transportation (Caltrans)	206		206
Total state revenue	<u>13,956,111</u>	<u>40,988</u>	<u>13,997,099</u>
Local revenue:			
Measure A			
Strategy 1.1 (Local)	680,000		680,000
Strategy 1.2 (Rural)	55,080		55,080
Strategy 1.3 (Special)	165,410		165,410
Strategy 1.4 (Capital)	280,125	1,264,615	1,544,740
Measure AA			
Category 4.1 Bus Transit Service	4,579,793		4,579,793
Category 4.2 Rural/Recreational Bus Services	1,131,141		1,131,141
Category 4.3 Transit Services for Special Needs	2,594,817		2,594,817
Category 4.4 Bus Services to Schools	1,098,028		1,098,028
Category 4.5 Bus Transit Facilities	98,966	1,529,393	1,628,359
Measure B	825,310		825,310
Total local revenue	<u>11,508,670</u>	<u>2,794,008</u>	<u>14,302,678</u>
Total intergovernmental revenue	<u>\$31,614,100</u>	<u>\$2,941,356</u>	<u>\$34,555,456</u>

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 5 – INTERGOVERNMENTAL REVENUE (Continued)

	2022		
	Nonoperating	Capital	Total
Federal revenue:			
FTA			
Section 5307 (ADA Set-Aside)	\$802,802		\$802,802
Section 5307 (Vehicle/Equipment purchase)		\$3,624,660	3,624,660
Section 5307 (CRRSAA)	3,654,814		3,654,814
Section 5307 (ARPA)	3,000,000		3,000,000
Section 5310 (CRRSAA)	45,354		45,354
Section 5310 (Mobility Management)	80,146		80,146
Section 5311 grant (Stagecoach operating)	228,695		228,695
Section 5311 (CRRSAA)	304,048		304,048
United States Department of the Interior			
National Park Service	290,671		290,671
National Park Service - Fare Revenue	178,535		178,535
Total federal revenue	<u>8,585,065</u>	<u>3,624,660</u>	<u>12,209,725</u>
State revenue:			
TDA	6,565,228		6,565,228
State Transit Assistance (STA)			
STA (Operations - Revenue Based)	1,500,000		1,500,000
STA (Operations - Population Based)	1,040,376		1,040,376
Paratransit	60,000		60,000
State of Good Repair (SGR)		44,718	44,718
State Renewable Energy Credits	13,528		13,528
Home Owner Property Tax Relief	18,412		18,412
Low Carbon Transit Operations Program (LCTOP)		1,315,115	1,315,115
California Department of Transportation (Caltrans)	216		216
Total state revenue	<u>9,197,760</u>	<u>1,359,833</u>	<u>10,557,593</u>
Local revenue:			
Measure AA			
Category 4.1 Bus Transit Service	3,232,824		3,232,824
Category 4.2 Rural/Recreational Bus Services	664,630		664,630
Category 4.3 Transit Services for Special Needs	2,767,189		2,767,189
Category 4.4 Bus Services to Schools	1,291,954		1,291,954
Category 4.5 Bus Transit Facilities	307,285	578,888	886,173
Measure B	808,354		808,354
Total local revenue	<u>9,072,236</u>	<u>578,888</u>	<u>9,651,124</u>
Total intergovernmental revenue	<u>\$26,855,061</u>	<u>\$5,563,381</u>	<u>\$32,418,442</u>

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 6 – RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS

The District contributes to the Marin County Transit District Governmental 401(a) single employer defined contribution pension plan (the 401(a) Plan) for its employees who have attained twenty-one years of age and have more than 1,000 hours of service. The Plan is administered by the District.

Benefit terms, including contribution requirements, for the 401(a) Plan are established and may be amended by the District's Board. For each employee in the 401(a) Plan at the end of the 401(a) Plan year, the District is required to contribute 10% to 15% of annual salary, exclusive of overtime, to individual employee accounts. Employees are not permitted to make contributions to the 401(a) Plan. For the fiscal years ended June 30, 2023, and 2022, the District recognized pension expense of \$280,324 and \$247,644, respectively.

Employees are fully vested in employer contributions after six months of service. Non-vested District contributions are forfeited upon termination. Such forfeitures are first used to pay 401(a) Plan administrative expenses and any remaining forfeitures are used to reduce the required future employer contribution. There were no forfeitures for the fiscal years ended June 30, 2023 and 2022.

The District provides a Section 457 deferred compensation plan (Section 457 Plan) to its employees. Employees are allowed to contribute to the Section 457 Plan, but the District does not contribute to the Section 457 Plan. The District does not currently provide other postemployment benefits (OPEB) to employees.

The District also contracted with the County and an independent entity called Local Government Services (LGS) for staffing until all contract employees were hired by the District during the fiscal year ended June 30, 2014. Pension and OPEB benefits were available to County and LGS contract employees. The District does not currently have a contract with the County that defines responsibility for OPEB benefits for County employees used by the District that may be payable upon separation. However, all former County employees retired or left the County's and District's service and the District does not believe a separation liability is applicable to the District. The contract with LGS stated that LGS is responsible for OPEB benefits for its employees used by the District. Refer to Note 7 for the pension plan for LGS contract employees.

NOTE 7 – PENSION PLAN

A. General Information about the Pension Plan

Plan Description and Benefits Provided

The Marin County Transit District Service Credit Retirement Plan (the Plan) is a closed single employer pension plan sponsored by the District for the benefit of leased employees who provided services to the District. The Plan covers employees that worked between November 2006 and October 2013. The Plan also does not issue a stand-alone financial report.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 7 – PENSION PLAN (Continued)

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

	All Members
Benefit Formula	2% @ 55
Benefit Vesting Schedule	5 years service
Benefit Payments	monthly for life
Retirement Age	50
Monthly Benefits, as a Percentage of Eligible Compensation	1.426% - 2.418%
Required Employee Contribution Rates	N/A
Required Employer Contribution Rates	N/A

Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms.

	2023
Retirees and Beneficiaries Currently Receiving Benefits	4
Vested Inactives Entitled to Deferred Annuity Benefits	1
Non-Vested Inactives who may Become Entitled to Deferred Annuity Benefits	1
Active Employees	5
Total	5

Contributions

Employer contributions to the Plan are actuarially determined using the Entry-Age Normal Actuarial Cost Method (level % of pay). Under this method, any unfunded liability is amortized on an open basis in level dollar installments over 15 years beginning on July 1, 2020.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 7 – PENSION PLAN (Continued)

B. Net Pension (Asset) Liability

The total pension liability was determined by a roll forward of results from an actuarial valuation as of June 30, 2023, using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal (level % of pay)
Actuarial Assumptions:	
Discount Rate	6.00%
Inflation	2.50%
Payroll Growth	Rates from the 2021 CalPERS Experience Study, Public Agency Miscellaneous
Pre-Retirement Mortality	None
Post-Retirement Mortality	Rates from the 2021 CalPERS Experience Study, PA Misc, Healthy Retiree Mortality

Rates from the 2021 CALPERS Experience Study, Public Agency Miscellaneous, that vary by entry age and service. 2.80% Wage inflation was added to the following sample rates:

<u>Service</u>	<u>Rate</u>
0	6.2%
3	3.8%
5	2.8%
10	1.3%
15	1.0%
20	0.8%
25	0.7%
30	0.5%

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) 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 assumed asset allocation and best estimates of arithmetic real rates of return for each major asset class included in the Plan's asset allocation as of June 30, 2023, are summarized in the following table:

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 7 – PENSION PLAN (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash/Short Bond	10%	-0.59%
Core Bond	9%	0.71%
High Yield Bond	9%	2.42%
Large Cap Equity	18%	4.05%
Small/Mid Cap Equity	36%	4.43%
International Equity	18%	4.53%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 6.00 percent. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at the current actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

C. *Changes in the Net Pension (Asset) Liability*

The changes in the net pension (asset) liability for the Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance at July 1, 2022	\$447,786	\$269,345	\$178,441
Changes on the Year:			
Employer Contributions		36,925	(36,925)
Interest on the Total Pension Liability	26,867		26,867
Changes in Assumptions			
Other Liability Experience (Gain)/Loss			
Administrative Expenses		(7,750)	7,750
Net Investment Income		20,492	(20,492)
Net Changes	26,867	49,667	(22,800)
Balance at June 30, 2023	\$474,653	\$319,012	\$155,641

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 7 – PENSION PLAN (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension (Asset) Liability to Changes in the Discount Rate

The following presents the net pension (asset) liability of the Plan, calculated using the discount rate of 6.00 percent, as well as the net pension (asset) liability calculated using a discount rate that is 1.0 percentage point lower (5.00%), and 1.0 percentage point higher (7.00%) than the current rate:

	1% Decrease 5.00%	Current Rate 6.00%	1% Increase 7.00%
Net Pension Liability	\$271,406	\$155,641	\$66,625
<i>Pension Plan Fiduciary Net Position</i>			

Detailed information about the pension plan's fiduciary net position is available in the separate financial report.

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

For the year ended June 30, 2023, the District recognized pension expense of \$57,364. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Actual and Expected Experience	\$40,670	
Changes in Assumptions	29,580	
Net Difference between Projected and Actual Earnings on Plan Investments	35,409	
Total	\$105,659	

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

Measurement Period Ended June 30	
2024	\$39,770
2025	39,770
2026	26,812
2027	(693)
Total	\$ 105,659

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Commitments

The District has the following commitments as of June 30:

Contractor	Purpose	2023	2022
Arntz Builders	Construction - 600 Rush Landing	\$273,854	\$183,985
A-Z Bus Sales	Purchase 10 Accessible Vans	975,422	
Bauer's Intelligent Transportation	Muir Woods Shuttle Operations	683,892	
Bauer's Intelligent Transportation	Ross Valley Yellow Bus Program	2,400,000	
BKF Engineers	Design, Engineering & PS&E for 3010/3020 Kerner Blvd	123,180	
Blink Tag		132,785	170,000
Carpi & Clay	Federal Advocacy Services Agreement	172,500	
Gillig	Purchase 4 - 35ft Hybrid buses and 3 - 40ft Hybrid buses	6,326,742	
Golden Gate Bridge, Highway & Transportation District	Local fixed route service	36,291,750	5,320,311
In Defense of Animals	PSA for 3010/3020		3,500,000
Kimley-Horn and Associates Inc.	On Call Planning Consulting Services	884,966	
Marin Airporter	Shuttle and fixed route services	28,361,719	9,541,922
Mark Thomas	General Engineering Services	1,114,413	1,200,000
MV Transportation, Inc.	Rural and seasonal transit service		3,300,000
North Bay Taxi	Taxi Voucher Program and Catch-A-Ride Pilot Agreement	235,000	
San Rafael City Schools	Measure AA School Funding	260,453	254,100
Miller Creek	Measure AA School Funding	28,590	
Sausalito Marin City Schools	Measure AA School Funding	27,106	
Tiburon Peninsula Traffic Relief JPA	Measure AA School Funding	211,322	206,168
Transdev Services, Inc.	Marin Access Service Operations	18,926,119	20,957,817
Uber Technologies Inc	CAR Voucher Agreement	180,000	
		<u>\$97,609,813</u>	<u>\$44,634,303</u>

Contingencies

The District receives grants from federal and state agencies that are subject to compliance audits by the awarding agency. No such audits occurred during the fiscal year and the District's management does not believe that any such audits would result in material disallowed costs. However, it is possible that ineligible costs could be identified during any such audits in the future.

The District contracted with LGS (LGS, a Joint Powers Authority) for employees from May 1, 2010, through October 15, 2013. The contract required LGS to take responsibility for any pension benefits of LGS employees used by the District and LGS made contributions to the California Public Employees Retirement System (CalPERS) on their behalf. In June 2017, the District was made aware that CalPERS found that LGS incorrectly enrolled six of the individuals employed by LGS and used by the District into CalPERS membership. Due to this determination, it is unknown whether the employees will be allowed to retain CalPERS service credits and the status of previously made pension contributions/responsibility for any unfunded pension liability for the employees is in question. The District is working with LGS and CalPERS to explore options for retaining CalPERS service credits and other alternatives for the six current and/or former employees. The ultimate resolution of this matter is currently unknown.

The District is a party to claims arising in the normal course of business. The District's management and legal counsel are of the opinion that the ultimate liability, if any, arising from these claims will not have a material adverse impact of the financial position of the District.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 8 – COMMITMENTS AND CONTINGENCIES (Continued)

Concentrations

A significant portion of the District's contracted transit services are provided by three transit contractors. A change in these relationships could have a significant impact on the District.

The District receives a substantial percentage of its revenue from sales tax, fuel tax, and property tax, including TDA, STA, and Measure A revenue. A significant change in these revenue sources could have a significant impact on the District's operations.

NOTE 9 – OTHER STAFF GRANTS

Low Carbon Transit Operations Program (LCTOP)

The LCTOP was established by the California Legislature in 2014 by Senate Bill (SB) 862. The LCTOP provides funds to transit agencies to reduce greenhouse gas emission and improve mobility through operating and capital grants. Projects approved for LCTOP will support bus or rail services, or 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.

During the year ended June 30, 2022, the grant amount for four electric vehicles were \$1,338,884. LCTOP allocations of \$0 and \$284,681 were received in fiscal years 2023 and 2022, respectively, for the purchase of four electric transit buses and installation of a vehicle charging infrastructure. During the years ended June 30, 2023 and 2022, the District earned interest of \$29 and \$465, respectively, on deposits on unspent LCTOP funds. During the years ended June 30, 2023, and 2022, the District disbursed \$40,989 and \$1,315,115, respectively.

During the year ended June 30, 2023, District received the grant amount of \$677,208 for the EV vehicle and charging infrastructure. The District earned interest of \$8,003 on deposits on unspent LCTOP funds. The District did not spend any of the grant in the fiscal year.

As of June 30, 2023 and 2022, the District has \$685,211 and \$40,960, respectively, in unspent LCTOP funds.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 9 – OTHER STAFF GRANTS (Continued)

Cumulative receipts and disbursements for the years ended June 30, 2023, and 2022, are as follows:

Project Name	Grant Amount	Accumulated Allocations Received	Accumulated Interest Received	Accumulated Amounts Expended	Unexpended at June 30, 2023
Four Electric Vehicles	\$1,338,884	\$1,338,884	\$17,220	(\$1,356,104)	
EV Vehicle & Charging infrastructure	<u>677,208</u>	<u>677,208</u>	<u>8,003</u>		<u>\$685,211</u>
Total	<u><u>\$2,016,092</u></u>	<u><u>\$2,016,092</u></u>	<u><u>\$25,223</u></u>	<u><u>(\$1,356,104)</u></u>	<u><u>\$685,211</u></u>

Project Name	Grant Amount	Accumulated Allocations Received	Accumulated Interest Received	Accumulated Amounts Expended	Unexpended at June 30, 2022
Four Electric Vehicles	\$1,338,884	\$1,338,884	\$17,191	(\$1,315,115)	\$40,960
Total	<u><u>\$1,338,884</u></u>	<u><u>\$1,338,884</u></u>	<u><u>\$17,191</u></u>	<u><u>(\$1,315,115)</u></u>	<u><u>\$40,960</u></u>

State of Good Repair (SGR)

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 program. In the fiscal years ending June 30, 2023 and 2022, the District was allocated \$677,208 and \$283,399 in SGR funds, respectively. During the years ended June 30, 2023 and 2022, the District earned interest of \$4,218 and \$69, respectively, on deposits of unspent SGR funds. The District expended \$0 and \$44,718 on purchasing replacement shuttles during the years ended June 2023 and 2022, respectively. At June 30, 2023 and 2022, the District had \$456,687 and \$243,317, respectively, in unexpended funds.

Cumulative receipts and disbursements for the years ended June 30, 2023, and 2022, are as follows:

Project Name	Funding Year	Grant Amount	Accumulated Allocations Received	Accumulated Interest Received	Accumulated Amounts Expended	Unexpended at June 30, 2023
35ft Vehicle Replacements	FY23	\$252,014	\$209,055	\$1,348		\$210,403
35ft Vehicle Replacements	FY22	243,345	243,345	2,939		246,284
Total State of Good Repair		<u><u>\$495,359</u></u>	<u><u>\$452,400</u></u>	<u><u>\$4,287</u></u>		<u><u>\$456,687</u></u>

Project Name	Funding Year	Grant Amount	Accumulated Allocations Received	Accumulated Interest Received	Accumulated Amounts Expended	Unexpended at June 30, 2022
35ft Vehicle Replacements	FY22	\$243,345	\$243,276	\$41		\$243,317
Shuttle Purchases	FY21	237,855	237,855	28	(237,883)	
Total State of Good Repair		<u><u>\$481,200</u></u>	<u><u>\$481,131</u></u>	<u><u>\$69</u></u>	<u><u>(\$237,883)</u></u>	<u><u>\$243,317</u></u>

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 10 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; and natural disasters. The risk of loss is managed by requiring contract operators to indemnify and hold harmless the District as well as maintain minimum specified levels of coverage. Additional coverage is provided by the County for errors and omissions, injuries to employees, and natural disaster. The District's insurance coverage is carried through California State Association of Counties Excess Insurance Authority (CSAC) in pooled programs and through a commercial insurance carrier.

CSAC is a public entity risk pool currently operating as a common risk management and insurance program for counties located throughout California. The purpose of CSAC is to spread the adverse effects of losses among the member entities and to purchase excess insurance as a group. The District's general liability insurance limit through CSAC was \$25,000,000 with a \$25,000 deductible at both June 30, 2023 and 2022. The District's claims have not exceeded the maximum insurance coverage, and there have been no reductions in insurance limits during the past three fiscal years.

The District is not directly responsible for liabilities of CSAC and only has a residual equity interest in CSAC that would result in the District's proportional share of residual assets being distributed to the District or its proportional share of additional premiums being required to be paid to CSAC if assets are not adequate to satisfy liabilities, if any, if the members vote to terminate CSAC. The financial statements of CSAC are available at CSAC's office at: 75 Iron Point Circle, Folsom, California 95630 or at www.csac-eia.org.

NOTE 11 – TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

Transit operators are required to either meet a TDA funding limit of 50% of total expenses or maintain a minimum required fare revenue to operating expenses ratio in order to be eligible for TDA funding. The District's direct allocation of STA revenue meets the 50% expenditure limitation under TDA Section 99268, thereby making the District exempt from fare revenue ratio requirements.

NOTE 12 – RELATED PARTY TRANSACTIONS

The District's Board includes members of the governing bodies of the County and the City of Novato, the City of Mill Valley, and City of San Rafael (the Cities). The District has various transactions with the County, Cities, and other agencies that have City and County governing body representatives on their governing bodies.

Receivables from Golden Gate and TAM are listed on the face of the Statement of Net Position. TDA and STA revenues listed in Note 5 are received from Golden Gate as well as various FTA and state grants. Measure A and Measure B revenues listed in Note 5 are received from TAM.

**MARIN COUNTY TRANSIT DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
For The Years Ended June 30, 2023 and 2022**

NOTE 12 – RELATED PARTY TRANSACTIONS (Continued)

The following table represents revenues, expenses, accounts payable, and unearned revenue to related agencies not separately reported in the Statements of Net Position and Statements of Activities and Changes in Net Position or Note 5:

	2023	2022
Revenues from related parties:		
Golden Gate:		
Fares	\$1,294,465	\$1,079,477
Paratransit contribution	682,849	926,442
Regional Paratransit Payment	525,969	660,433
Advertising	137,330	215,149
Other revenues	66,590	260,826
Total revenues from related parties	\$2,707,203	\$3,142,327
Expenses to related parties:		
Golden Gate - transit contract		
Local transit service operations	\$12,138,211	\$11,333,013
Vehicle repairs		24,288
Capital costs	17,036	32,214
County of Marin - fuel	891,205	922,132
County of Marin - other expenses	42,480	47,937
Marin Emergency Radio Authority - emergency radio system	26,935	26,085
Metropolitan Transportation Commission - clipper	21,276	18,266
Total expenses to related parties	\$13,137,143	\$12,403,935
Golden Gate:		
Transit contract	\$1,819,439	\$1,743,267
County of Marin - miscellaneous	212,867	98,368
Metropolitan Transportation Commission - Clipper	7,723	2,912
Total accounts payable to related parties	\$2,040,029	\$1,844,547

REQUIRED SUPPLEMENTARY INFORMATION

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**MARIN COUNTY TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION ASSET (LIABILITY) AND RELATED
RATIOS
FOR THE LAST 10 YEARS ENDED JUNE 30, 2023***

	<u>Measurement Period 2022/23</u>	<u>Measurement Period 2021/22</u>	<u>Measurement Period 2020/21</u>
Total Pension Liability			
Interest on Total Pension Liability	\$26,867	\$19,718	\$18,515
Changes in Benefits Terms			67,432
Differences between Expected and Actual Experience		72,196	
Changes in Assumptions		52,512	
Net change in Total Pension Liability	26,867	144,426	85,947
Total Pension Liability - Beginning	447,786	303,360	217,413
Total Pension Liability - Ending (a)	<u>\$474,653</u>	<u>\$447,786</u>	<u>\$303,360</u>
Plan Fiduciary Net Position			
Contributions -Employer	36,925		10,333
Contributions - Employee			
Net investment income		(38,312)	9,590
Administrative Expenses	(7,750)	(7,750)	(10,333)
Investment Experience (Loss)/Gain	20,492		81,140
Net Change in Plan Fiduciary Net Position	49,667	(46,062)	90,730
Plan Fiduciary Net Position - Beginning	269,345	315,407	224,677
Plan Fiduciary Net Position - Ending (b)	<u>\$319,012</u>	<u>\$269,345</u>	<u>\$315,407</u>
Net Pension (Asset) Liability - Ending [(a) - (b)]	<u>\$155,641</u>	<u>\$178,441</u>	<u>(\$12,047)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.21%	60.15%	103.97%
Covered Payroll	N/A	N/A	N/A
Net Pension (Asset) Liability as a Percentage of Covered Payroll	N/A	N/A	N/A

* Fiscal year 2021 was the 1st year of implementation

**MARIN COUNTY TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FOR THE LAST 10 YEARS ENDED JUNE 30, 2023**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Actuarial Determined Contributions	\$27,557	\$9,368	
Contributions in Relation to the Actuarially Determined Contributions	<u>36,925</u>	<u> </u>	<u>\$10,333</u>
Contribution Deficiency (Excess)	<u>(\$9,368)</u>	<u>\$9,368</u>	<u>(\$10,333)</u>
Covered Payroll	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A

Notes to Schedule:

Valuation Date June 30, 2022

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal (level % of pay)
Asset Valuation Method	Market Value
Amortization Method and Period	Open, level dollar, 15 years starting 7/1/20

Investment Rate of Return	6%
Salary Scale	2.8% wage inflation, plus rates varying by entry age

Pre-Retirement Mortality	None assumed.
Post-Retirement Mortality	Rates from the 2021 CALPERS Experience Study, PA Misc, Healthy Retiree and Beneficiary Mortality Tables

SUPPLEMENTARY INFORMATION

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MARIN COUNTY TRANSIT DISTRICT
BUDGETARY COMPARISON SCHEDULE - OPERATIONS
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fare Revenue	\$3,246,145	\$3,246,145	\$3,359,930	\$113,785
Advertising & Other Revenue	203,500	203,500	235,790	32,290
Fee for Service	1,538,331	1,538,331	1,336,976	(201,355)
Interest	25,700	25,700	285,133	259,433
Measure A	1,170,797	1,170,797	900,490	(270,307)
Measure AA	12,350,558	12,350,558	9,403,780	(2,946,778)
Measure B	950,000	950,000	825,310	(124,690)
Property Taxes	5,245,000	5,245,000	5,615,424	370,424
Redevelopment Area (RDA) Fees	44,100	44,100	90,392	46,292
State Transit Assistance (STA)	3,012,985	3,012,985	3,021,660	8,675
Transit Development Act (TDA)	11,411,858	11,411,858	10,909,658	(502,200)
Other State	32,300	32,300	25,419	(6,881)
FTA Funds	4,925,943	4,925,943	5,421,507	495,564
National Park Service	564914.00	564914.00	521983.00	(42,931)
Cost Center Revenue Transfers	(2,450,000)	(2,450,000)	(3,962,680)	(1,512,680)
Total revenues	<u>42,272,131</u>	<u>42,272,131</u>	<u>37,990,772</u>	<u>(4,281,359)</u>
EXPENDITURES				
Salaries and Benefits	3,182,288	3,182,288	3,015,440	(166,848)
Consultant Services	621,484	621,484	369,148	(252,336)
Professional Service-Legal	150,000	150,000	35,708	(114,292)
Security and Maintenance	400,564	400,564	236,725	(163,839)
Customer Service	672,695	672,695	126,842	(545,853)
Mobility Management Support Programs	102,731	102,731	3,873	(98,858)
Grants to External Agencies	525,000	525,000	514,606	(10,394)
Office Supplies	410,191	410,191	342,750	(67,441)
Covid Cleaning and Supplies			3,709	3,709
General Insurance	115,000	115,000	104,159	(10,841)
Contract Service Operation	30,495,780	30,495,780	29,349,517	(1,146,263)
Membership & Prof Development	85,500	85,500	65,140	(20,360)
Mileage and Travel	25,000	25,000	16,094	(8,906)
Marketing	162,620	162,620	127,998	(34,622)
Communication	248,487	248,487	189,448	(59,039)
Fuel	3,735,285	3,735,285	2,902,027	(833,258)
Utilities	66,050	66,050	55,362	(10,688)
Vehicle Leases	26,210	26,210	26,210	
Office - Rental and Overhead	183,960	183,960	182,959	(1,001)
Cost Center Transfers	(756,847)	(365,333)	(380,542)	(15,209)
Total expenditures	<u>40,451,998</u>	<u>40,843,512</u>	<u>37,287,173</u>	<u>(3,556,339)</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>\$1,820,133</u>	<u>\$1,428,619</u>	<u>\$703,599</u>	<u>(\$725,020)</u>

MARIN COUNTY TRANSIT DISTRICT
BUDGETARY COMPARISON SCHEDULE - CAPITAL PROGRAM
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Local Government Payments			\$11,570	\$11,570
Measure A sales tax			280,123	280,123
Measure A sales tax - capitalized	\$1,434,410	\$1,434,410	1,264,617	(169,793)
Measure A sales tax - interest	1,100,000	1,100,000		(1,100,000)
Measure AA sales tax	184,000	184,000	98,966	(85,034)
Measure AA sales tax - capitalized	2,024,819	2,024,819	1,529,391	(495,428)
STA - Revenue Based	45,000	45,000		(45,000)
State- Low Carbon Transit Operations Program	718,169	718,169	40,988	(677,181)
FTA 5307 Urbanized Area Formula	2,599,938	2,599,938	106,360	(2,493,578)
Sale of assets			30,870	30,870
Property tax transfer	2,750,000	2,750,000	3,962,680	1,212,680
Total revenues	10,856,336	10,856,336	7,325,565	(3,530,771)
EXPENDITURES				
<i>Vehicles</i>				
Purchase 4 40ft Electric	293,568	293,568	42,987	250,581
Hybrid Battery Replacement	630,000	630,000	660,413	(30,413)
7 35 ft Hybrids	10,000	10,000	1,363	8,637
Non Revenue Vehicle	48,679	48,679	36,899	11,780
Replace 5 Paratransit Vehicles	502,594	502,594	4,907	497,687
Paratransit Electric Vehicles	677,208	677,208	4,295	672,913
Purchase 2 XHF Replacements	515,000	515,000	4,438	510,562
<i>Facilities and Stops</i>				
Novato Bus Stops	60,052	60,052	1,909	58,143
ADA Bus Stop Improvements	1,567,278	1,567,278	125,609	1,441,669
<i>Facility</i>				
Kemer Facility Improvements	103,780	103,780		103,780
Parking Facility ROW	3,674,707	3,674,707	135,544	3,539,163
Fixed Route Facility	300,000	300,000	3,514,715	(3,214,715)
Kerner Parking Facility Improvements	300,000	300,000	44,098	255,902
Facility Improvements	2,051,186	2,051,186	121,927	1,929,259
Yellow Bus Parking/Facility	3,000,000	3,000,000	1,731,754	1,268,246
<i>Technology Projects</i>				
On Board Vehicle Equipment	550,000	550,000	294,737	255,263
<i>Ongoing Capital Expenses</i>				
Bus stop maintenance	160,000	160,000	106,583	53,417
Golden Gate capital costs	24,000	24,000	17,036	6,964
Infrastructure support	400,000	400,000	428,065	(28,065)
Major vehicle repairs	200,000	200,000	70,486	129,514
Total expenditures	15,068,052	15,068,052	7,347,765	7,720,287
Deficiency of revenues (under) expenditures	<u>(\$4,211,716)</u>	<u>(\$4,211,716)</u>	<u>(\$22,200)</u>	<u>(\$11,251,058)</u>

MARIN COUNTY TRANSIT DISTRICT
BUDGETARY COMPARISON SCHEDULE - RECONCILIATION TO
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

Excess of revenues over expenditures - budgetary basis (operations)	\$703,599
Deficiency of revenues under expenditures - budgetary basis (capital program)	(22,200)
Amounts not budgeted:	
Capital asset additions	6,531,553
Depreciation and amortization expense	(4,221,350)
Lease addition	(180,444)
Lease liability addition to budget	<u>166,203</u>
Increase in net position	<u><u>\$2,977,361</u></u>

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STATISTICAL SECTION

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STATISTICAL SECTION

This section of the Marin County Transit District’s (the District) Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall health.

Contents Pages

Financial Trends

This segment contains trend information to help the reader understand how the District’s financial performance and well-being have changed over time..... 47-49

Revenue Capacity

This segment includes information to help the reader assess the District’s most significant own-source revenues: passenger fares and property taxes. 50-55

Debt Capacity

This segment presents information intended to assist the reader in understanding and assessing the District’s current level of outstanding debt and its ability to issue additional debt in the future.56

Economic and Demographic Information

This segment depicts county-wide demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place. 57-58

Operating Information

These schedules contain information about the District’s operations and resources to help the reader understand how the District’s financial information relates to the services the District provides and the activities it performs..... 59-63

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**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
FINANCIAL TRENDS
SCHEDULE OF NET POSITION
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Net investment in capital assets	\$ 7,201,252	\$ 8,665,148	\$ 19,166,232	\$ 20,849,921	\$ 29,085,919	\$ 28,758,459	\$ 40,142,892	\$ 40,895,229	\$ 46,378,836	\$ 48,674,795
Restricted net position	-	-	307,027	31,624	-	-	-	-	-	-
Unrestricted net position	<u>9,236,575</u>	<u>11,847,226</u>	<u>15,421,852</u>	<u>19,402,481</u>	<u>23,136,349</u>	<u>27,234,152</u>	<u>32,012,829</u>	<u>36,786,818</u>	<u>35,579,756</u>	<u>3,626,158</u>
Total net position	<u>\$ 16,437,827</u>	<u>\$ 20,512,374</u>	<u>\$ 34,895,111</u>	<u>\$ 40,284,026</u>	<u>\$ 52,222,268</u>	<u>\$ 55,992,611</u>	<u>\$ 72,155,721</u>	<u>\$ 77,682,047</u>	<u>\$ 81,958,592</u>	<u>\$ 81,952,486</u>

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
FINANCIAL TRENDS
STATEMENTS OF ACTIVITIES AND CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
OPERATING REVENUES										
Transit fares	\$ 3,731,205	\$ 3,669,514	\$ 3,586,587	\$ 3,528,289	\$ 3,570,143	\$ 3,303,234	\$ 2,664,354	\$ 1,456,012	\$ 2,494,806	\$ 2,863,261
Contractual compensation	1,906,714	1,950,099	2,028,796	1,765,230	1,830,716	1,834,761	1,778,963	1,291,815	1,607,414	1,220,388
Special fares	20,000	-	250,798	269,244	265,509	279,819	225,860	193,008	258,493	291,465
School bus revenues	-	-	130,000	145,000	145,000	145,000	151,010	-	46,112	43,526
TOTAL OPERATING REVENUES	5,657,919	5,619,613	5,996,181	5,707,763	5,811,368	5,562,814	4,820,187	2,940,835	4,406,825	4,418,640
OPERATING EXPENSES										
Purchased transportation services	21,720,736	21,888,029	20,461,632	21,422,651	22,698,220	24,245,772	24,614,822	23,220,993	24,818,237	29,353,390
Depreciation and amortization	937,139	917,002	1,753,960	2,387,889	2,908,165	3,549,062	4,119,852	4,479,124	4,784,362	4,774,382
Salaries and benefits	964,311	1,327,913	1,631,669	1,973,470	1,881,194	2,099,316	2,420,797	2,435,258	2,527,315	2,970,674
Fuel	1,355,476	1,291,857	1,619,444	1,818,940	2,161,545	2,521,502	2,112,076	1,891,121	2,997,169	2,902,027
Professional services	486,242	554,304	1,003,065	1,177,446	1,440,732	1,340,332	1,352,263	1,571,188	1,696,700	602,754
General and administrative	165,775	129,360	179,181	199,985	244,554	223,930	314,814	345,271	411,724	215,512
Utilities	73,940	91,016	106,949	116,578	98,832	64,639	149,744	193,029	205,875	461,010
Marketing	136,455	114,660	127,154	114,823	150,501	116,677	126,142	96,231	56,052	127,998
Leases and rentals	100,975	92,236	94,469	96,668	47,873	126,723	137,817	140,532	143,874	26,210
Other services	66,750	66,654	61,792	51,035	26,214	50,069	48,090	23,115	51,120	26,935
Casualty and liability costs	25,738	29,444	29,580	18,083	31,526	31,798	48,404	66,488	79,764	96,077
Maintenance costs	53,439	89,988	15,961	10,448	19,195	5,575	14,578	39,422	167,280	233,618
Capital costs	383,848	330,949	109,393	9,085	98,034	17,893	(3,557)	16,696	20,455	17,036
Contract labor ¹	469,169	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	26,939,993	26,923,412	27,194,249	29,397,101	31,806,585	34,393,288	35,455,842	34,518,468	37,959,927	41,807,623
OPERATING LOSS	<u>\$(21,282,074)</u>	<u>\$(21,303,799)</u>	<u>\$(21,198,068)</u>	<u>\$(23,689,338)</u>	<u>\$(25,995,217)</u>	<u>\$(28,830,474)</u>	<u>\$(30,635,655)</u>	<u>\$(31,577,633)</u>	<u>\$(33,553,102)</u>	<u>\$(37,388,983)</u>

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
FINANCIAL TRENDS
STATEMENTS OF ACTIVITIES AND CHANGES IN NET POSITION (Continued)
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
NONOPERATING REVENUES (EXPENSES)										
Intergovernmental revenue	\$ 18,559,479	\$ 19,097,503	\$ 19,069,595	\$ 20,529,158	\$ 22,142,502	\$ 24,340,749	\$ 25,660,130	\$ 26,303,660	\$ 26,855,061	\$ 31,614,100
Property tax revenue	3,447,835	3,611,357	3,848,219	4,111,657	4,321,194	4,561,268	4,803,083	5,025,293	5,382,566	5,705,817
Advertising	344,516	283,443	229,202	245,018	280,788	240,960	237,238	201,573	232,513	227,233
Rental income	-	-	157,712	152,772	158,256	172,018	282,930	337,195	320,663	93,189
Interest income	5,399	9,816	14,044	51,968	118,552	198,695	353,736	125,929	12,911	268,385
Miscellaneous income	-	2,134	-	-	-	-	-	-	-	-
Other revenues/gain (loss) on disposal of capital assets	30,171	-	88,571	1,102	2,093	-	-	110,250	32,281	30,870
Pass through of Measure A to Golden Gate	(85,000)	-	(85,000)	(85,000)	(85,000)	(85,000)	(85,000)	(232,085)	(591,935)	(514,606)
TOTAL NONOPERATING REVENUES (EXPENSES)	22,302,400	23,004,253	23,322,343	25,006,675	26,938,385	29,428,690	31,252,117	31,871,815	32,244,060	37,424,988
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	1,020,326	1,700,454	2,124,275	1,317,337	943,168	598,216	616,462	294,182	(1,309,042)	36,005
CAPITAL CONTRIBUTIONS										
Intergovernmental revenue	1,962,595	2,374,093	12,250,751	4,038,739	10,979,056	3,126,499	15,495,044	5,225,566	5,563,381	2,941,356
Other revenue	-	-	7,711	32,839	16,018	45,628	51,604	6,578	22,206	-
TOTAL CAPITAL CONTRIBUTIONS	1,962,595	2,374,093	12,258,462	4,071,578	10,995,074	3,172,127	15,546,648	5,232,144	5,585,587	2,941,356
CHANGE IN NET POSITION	2,982,921	4,074,547	14,382,737	5,388,915	11,938,242	3,770,343	16,163,110	5,526,326	4,276,545	2,977,361
Net position at beginning of year	13,454,906	16,437,827	20,512,374	34,895,111	40,284,026	52,222,268	55,992,611	72,155,721	77,682,047	81,958,592
Prior period adjustment	-	-	-	-	-	-	-	-	-	-
Net position at beginning of year, as restated	13,454,906	16,437,827	20,512,374	34,895,111	40,284,026	52,222,268	55,992,611	72,155,721	77,682,047	81,958,592
NET POSITION AT END OF YEAR	\$ 16,437,827	\$ 20,512,374	\$ 34,895,111	\$ 40,284,026	\$ 52,222,268	\$ 55,992,611	\$ 72,155,721	\$ 77,682,047	\$ 81,958,592	\$ 84,935,953

¹ Labeled "Staff Compensation" from FY09 to FY12.

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
REVENUE CAPACITY
PASSENGER AND FARE DATA
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fare revenue ¹	\$ 3,751,205	\$ 3,669,514	\$ 3,837,385	\$ 3,797,533	\$ 4,044,536	\$ 4,024,376	\$ 3,233,297	\$ 1,654,777	\$ 2,931,085	3,359,930
Passengers ²	3,546,112	3,464,628	3,332,265	3,216,894	3,293,385	3,263,451	2,643,771	1,485,512	2,427,606	2,841,652
Average fare per passenger	\$ 1.06	\$ 1.06	\$ 1.15	\$ 1.18	\$ 1.23	\$ 1.23	\$ 1.22	\$ 1.11	\$ 1.21	\$ 1.18

¹ Source: Marin Transit Budgetary Comparison Schedule - Operations

² Sources: Marin Transit Short Range Transit Plans, Monthly Monitoring & Performance Statistic Reports

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
REVENUE CAPACITY
FARE STRUCTURE
AS OF JUNE 30, 2023**

<u>Category</u>	<u>Cash Price</u>	<u>Clipper</u>	<u>6 Month Pass</u> ¹	<u>1-Day Pass</u>	<u>31-Day Pass</u>
Adult	\$2.00	\$1.80	-	\$5.00	\$40.00
Youth (5-18)	\$1.00	\$1.00	\$175.00 ¹	\$2.50	\$40.00
Children Under 5		Free when accompanied by an adult			
Seniors (65+)	\$1.00	\$1.00	-	\$2.50	\$20.00
Persons with Disabilities	\$1.00	\$1.00	-	\$2.50	\$20.00
ADA Mandated Service ²	\$3.00	-	-	-	-
ADA Non-Mandated Service ³	\$3.00	-	-	-	-

¹ Free to low income youth. \$325 for a year.

² Americans with Disabilities Act (ADA) Regulations permit fares for ADA Mandated trips to be as high as \$4.00.

³ ADA Regulations set no maximum for Non-Mandated ADA trips.

<u>Muir Woods Fare Category¹</u>	<u>Current Fare</u>
Adult	\$3.50
Youth (16-18)	\$3.50
Youth (under 16)	Free
Senior/Disabled (without NPS Pass)	\$3.50

¹ National Park Service (NPS) pays additional \$1.50 per passenger

Source: www.marintransit.org

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
REVENUE CAPACITY
COUNTY SALES TAX REVENUE
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022 ²	2023 ²
Local Measure A half cent sales tax revenue	\$ 24,086,678	\$ 25,265,790	\$ 25,702,937	\$ 25,755,761	\$ 27,507,852	\$ 28,976,081	\$ 27,345,662	\$ 30,832,521	\$ 34,754,393	35,086,472
Annual growth	2.0%	4.9%	1.7%	0.2%	6.8%	5.3%	-5.6%	12.8%	12.7%	0.96%
Sales tax revenue available to Marin Transit ¹	\$ 12,208,421	\$ 12,874,175	\$ 13,117,917	\$ 13,144,538	\$ 13,215,609	\$ 14,163,872	\$ 12,228,128	\$ 14,814,083	\$ 15,883,614	\$ 16,064,917
Percent of Measure A revenue	51%	51%	51%	51%	48%	49%	45%	48%	46%	46%
Annual growth	2.2%	5.5%	1.9%	0.2%	0.5%	7.2%	-13.7%	21.1%	7.2%	1.14%
Sales tax reserve funds	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -

¹ 55% of Sales Tax Receipts after administrative reductions

² Preliminary numbers

Source: Transportation Authority of Marin (TAM) Annual Financial Report, TAM Measure A Programming Workbook

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
REVENUE CAPACITY
PROPERTY TAX REVENUE
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Property tax and development fee revenue	\$ 3,447,835	\$ 3,611,357	\$ 3,855,930	\$ 4,144,496	\$ 4,337,212	\$ 4,606,896	\$ 4,810,992	\$ 5,031,871	\$ 5,404,620	\$ 5,563,381
Expended on operations	3,447,835	3,611,357	3,848,219	4,111,657	4,321,194	4,561,268	4,803,083	5,025,293	5,382,414	5,705,817
Expended on capital	-	-	1,556,521	32,839	16,018	45,628	7,009	6,578	22,206	-
Annual growth	6.8%	4.7%	6.8%	7.5%	4.6%	6.2%	4.4%	4.6%	7.4%	2.9%

Source: MCTD Audited Financial Statements

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
REVENUE CAPACITY
ASSESSED VALUATION OF TAXABLE PROPERTY IN MARIN COUNTY
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Secured ¹	\$ 58,938,343	\$ 62,341,701	\$ 66,718,112	\$ 70,952,207	\$ 74,715,394	\$ 78,744,004	\$ 82,751,301	\$ 86,556,017	\$ 90,041,721	*
Unsecured ²	1,480,668	1,530,991	1,556,521	1,566,336	1,610,799	1,790,104	2,029,049	2,301,065	2,317,828	*
Exempt ³	2,013,902	2,037,580	2,067,204	2,079,024	2,157,806	2,336,693	2,619,669	2,883,830	2,990,976	*
Total Taxable Assessed Value	<u>\$ 58,405,109</u>	<u>\$ 61,835,112</u>	<u>\$ 66,207,429</u>	<u>\$ 70,439,519</u>	<u>\$ 74,168,387</u>	<u>\$ 74,168,387</u>	<u>\$ 87,400,019</u>	<u>\$ 82,160,681</u>	<u>\$ 89,368,573</u>	*
Total Direct Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	*
Growth Rate	3.9%	5.9%	7.1%	6.4%	5.3%	5.5%	5.3%	4.6%	8.8%	*

¹ Secured property is generally real property, defined as land, mines, minerals, timber, and improvements such as buildings, structures, crops, trees, and vines.

² Unsecured property is generally personal property including machinery, equipment, office tools, and supplies.

³ Exempt properties include numerous full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain tax payers from the burden of paying property taxes.

* Unavailable

Source: Department of Finance - County of Marin, California

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
REVENUE CAPACITY
DIRECT AND OVERLAPPING PROPERTY TAX RATES¹ IN MARIN COUNTY
LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County Direct Rate	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	*
Local Special Districts	0.2876%	0.8156%	0.8200%	0.9221%	0.9041%	1.1128%	1.0045%	0.9722%	1.0163%	*
Schools	0.7775%	0.8000%	0.8114%	0.8506%	0.8381%	0.9108%	0.8414%	0.8291%	0.7552%	*
Cities	0.2601%	0.2519%	0.2510%	0.2394%	0.2353%	0.2357%	0.2252%	0.2165%	0.2225%	*
Total Direct and Overlapping ²	2.3252%	2.8675%	2.8824%	3.0121%	2.9775%	3.2593%	3.0711%	3.0178%	2.9940%	*

¹ On June 6, 1978, California voters approved a constitutional amendment to Article XIII A of the California Constitution, commonly known as Proposition 13, which limits the taxing power of California public agencies. Legislation enacted by the California Legislature to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that, notwithstanding any other law, local agencies may not levy property tax except to pay debt service on indebtedness approved by votes prior to July 1, 1978, and that each County will levy the maximum tax permitted by Article XIII A of \$1 per \$100 of full cash value. Full cash value is equivalent to assessed value, pursuant to Senate Bill 1656, Statutes of 1978. The rates shown above are percentages of assessed value.

² These rates represent the maximum rate charged to taxpayers if all rates applied to them. In reality, the rates applicable to tax rate areas will vary at amounts lower than these totals.

* Unavailable

Source: Department of Finance - County of Marin, California

**MARIN COUNTY TRANSIT DISTRICT
 STATISTICAL SECTION
 DEBT CAPACITY
 OUTSTANDING EBT BALANCES
 LAST TEN FISCAL YEARS**

<u>Lender</u>	<u>Original Loan Amount</u>	<u>Date of Loan</u>	<u>Purpose</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
ECONOMIC AND DEMOGRAPHIC INFORMATION
ECONOMIC AND DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population ¹	260,516	261,054	260,651	260,955	259,666	259,085	257,332	*	*	*
Personal income (in thousands) ¹	\$ 27,176,774	\$ 29,227,230	\$ 30,222,883	\$ 32,502,500	\$ 34,866,708	\$ 36,684,680	\$ 37,461,199	*	*	*
Per capita personal income ¹	\$ 104,319	\$ 111,959	\$ 1,556,521	\$ 124,552	\$ 134,275	\$ 141,735	\$ 145,575	*	*	*
School enrollment ²	32,793	33,207	33,638	33,633	33,741	33,441	33,516	\$ 31,939	\$ 30,811	30,483
Unemployment rate ³	4.8%	3.9%	3.4%	3.16%	2.62%	2.42%	4.48%	6.11%	3.03%	4.60%

Sources

1

US Department of Commerce, Bureau of Economic Analysis - www.bea.gov

2

California Department of Education, Educational Demographics Office - www.ed-data.org/county/Marin, census day enrollment

3

Employment Development Department, Labor Market Information - www.labormarketinfo.edd.ca.gov

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
ECONOMIC AND DEMOGRAPHIC INFORMATION
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

2023			2013		
Employer	Employees	Percentage of Total County Employment	Employer	Employees	Percentage of Total County Employment
County of Marin	2,436	1.92%	County of Marin	2,037	1.51%
Kaiser Permanente	2,339	1.84%	Kaiser Permanente Medical Center	1,756	1.30%
BioMarin Pharmaceutical	1,868	1.47%	San Quentin State Prison	1,690	1.25%
San Quentin Prison	1,547	1.22%	Marin General Hospital	1,300	0.96%
Glassdoor Inc	1,452	1.15%	Autodesk, Inc	1,000	0.74%
San Rafael City Schools	1,145	0.90%	BioMarin Pharmaceutical	850	0.63%
Marin General Hospital	1,081	0.85%	Novato Unified School District	805	0.60%
Novato Unified School District	800	0.63%	Fireman's Fund Insurance Co.	750	0.55%
Marin Community Clinics	576	0.45%	Lucasfilm Ltd.	400	0.30%
Marin County Office of Education	449	0.35%	Macy's	380	0.28%
Total	<u>13,693</u>	<u>10.80%</u>		<u>10,968</u>	<u>8.11%</u>
Total County Employment	<u>126,800</u>			<u>135,200</u>	

Note: When information is not available, periods that are available are provided as an alternative.

Sources:

County of Marin ACFR

**MARIN COUNTY TRANSIT DISTRICT
 STATISTICAL SECTION
 OPERATING INFORMATION
 DISTRICT PROFILE
 AS OF JUNE 30, 2023**

Date the District was Formed	1964
Form of Governance	Board of Directors, with General Manager
Total Employees	17
Service Area	All of Marin County
Area of District (in square miles)	Approximately 520
Population of Service Area ¹	262,321
Local Financial Support	Measure A Sales Tax Revenue
Number of Fixed Route Bus Routes	25
Revenue Service Hours	204,108
Average Passenger Trips per Revenue Hour	13.2
Number of Vehicles in Service	78
Bus Stops	600+

¹ As of 2022

Source: MCTD Finance Department, FY2022 System Performance Report

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
OPERATING INFORMATION
NONOPERATING INTERGOVERNMENTAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal Revenue										
Federal Transit Administration	\$ 1,375,087	\$ 1,317,128	\$ 901,433	\$ 1,065,347	\$ 1,151,839	\$ 1,421,148	\$ 3,475,476	\$ 9,207,534	\$ 8,115,859	\$ 5,421,507
United States Department of the Interior - National Park Service	159,028	168,665	150,865	89,009	154,736	323,371	370,245	14,177	290,671	521,982
United States Department of the Interior - NPS Fare Reimbursement	-	-	-	-	187,050	406,475	113,828	2,302	71,414	205,830
Total Federal Revenue	1,534,115	1,485,793	1,052,298	1,154,356	1,493,625	2,150,994	3,959,549	9,224,013	8,477,944	6,149,319
State Revenue										
Transportation Development Act	4,015,345	4,542,050	4,562,778	4,440,516	4,614,306	5,109,399	5,225,171	3,817,097	6,565,228	10,909,658
State Transit Assistance	1,360,737	1,310,912	1,316,134	1,576,690	1,285,220	1,909,202	2,047,902	1,680,205	2,600,376	3,021,034
Public Transportation Modernization, Improvement, and Service Enhancement Account	-	-	-	-	-	-	-	-	-	-
State Renewable Energy Credits	-	-	-	-	-	-	-	14,010	13,528	6,915
Home Owner Property Tax Relief	19,500	19,326	19,138	18,953	18,940	18,779	18,719	18,541	18,412	18,298
Low Carbon Transit Operations Program	-	-	275,413	-	128,676	335,795	-	-	-	-
Caltrans	253	208	283	320	334	284	239	217	216	206
Total State Revenue	5,395,835	5,872,496	6,173,746	6,036,479	6,047,476	7,373,459	7,292,031	5,530,070	9,197,760	13,956,111
Local Revenue										
Measure A	10,849,462	10,860,313	10,998,120	12,542,551	13,541,585	13,739,881	1,953,742	1,106,168	-	1,180,615
Measure A Interest	85,000	-	85,000	85,000	85,000	85,000	85,000	-	-	-
Measure AA	-	-	-	-	-	-	11,212,364	9,529,277	8,263,882	9,502,745
Measure B	671,308	863,617	730,335	627,198	974,816	991,415	956,702	910,679	808,354	825,310
Metropolitan Transportation Commission	-	-	-	-	-	-	-	-	-	-
Golden Gate Bridge Highway and Transportation District	-	-	-	-	-	-	30,000	-	-	-
County of Marin	-	-	-	-	-	-	-	-	-	-
Miscellaneous	23,759	15,284	30,096	83,574	-	-	170,742	3,453	107,121	-
Total Local Revenue	11,629,529	11,739,214	11,843,551	13,338,323	14,601,401	14,816,296	14,408,550	11,549,577	9,179,357	11,508,670
Total Intergovernmental Revenue	\$ 18,559,479	\$ 19,097,503	\$ 19,069,595	\$ 20,529,158	\$ 22,142,502	\$ 24,340,749	\$ 25,660,130	\$ 26,303,660	\$ 26,855,061	\$ 31,614,100

Source: MCTD Audited Financial Statements

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
OPERATING INFORMATION
SUMMARY OF SERVICE PROVIDER CONTRACTS
AS OF JUNE 30, 2023**

Contract Type	Services Provided	Contractor	Current Term
Intergovernmental agreement	Local Fixed Route	Golden Gate Bridge Highway and Transportation District	October 1, 2022 — June 30, 2026
Competitively bid	Community Shuttles and Fixed Route Service	Marin Airporter	July 1, 2018 — June 30, 2025
Competitively bid	Rural and Seasonal Services	MV Transportation	July 1, 2018 — June 30, 2023
Competitively bid	Local Paratransit, Marin Access Shuttles, and Volunteer Driver Program	Transdev	February 1, 2022 — June 30, 2025
Competitively bid	Yellow Bus Service	Michael's Transportation	July 1, 2018 — June 30, 2023
Competitively bid	Yellow Bus Service	Bauer's Intelligent Transportation	August 1, 2023 — June 30, 2026
Competitively bid	Muir Woods Shuttle	Bauer's Intelligent Transportation	May 1, 2023 — November 1, 2023

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
OPERATING INFORMATION
SUMMARY OF CAPITAL ASSETS
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Number of buses owned	58	66	90	95	105	109	122	113	114	118
Cost of assets:										
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,550,836	\$ 1,550,836	\$ 3,027,167	\$ 6,717,174
Work in progress	1,024,112	2,176,497	1,746,405	3,610,173	748,556	1,454,572	206,286	673,962	6,132,779	2,928,305
Revenue vehicles	6,758,552	7,597,033	17,466,010	19,108,821	26,957,885	29,173,879	38,400,723	40,972,893	40,767,669	44,936,890
Facilities and stops	1,495,243	1,553,706	2,913,267	70,439,519	8,471,174	8,583,219	9,425,818	9,310,585	9,310,585	9,310,585
Communication and data equipment	1,065,948	1,251,626	1,251,626	1,634,293	1,821,367	1,881,522	1,875,943	1,522,292	1,728,266	2,080,425
Fare revenue collection equipment	266,465	412,356	412,356	459,532	464,862	464,862	434,929	434,929	434,929	434,929
Furniture and fixtures	88,351	88,351	88,351	88,351	88,351	123,907	123,907	123,907	232,770	235,205
Administrative Buildings	-	-	-	-	-	-	3,987,865	3,987,865	4,045,565	4,305,455
Maintenance Buildings	-	-	-	-	-	-	-	-	1,945,690	3,170,785
Non-revenue vehicles	6,300	6,300	6,300	6,300	403,044	403,044	396,744	396,744	396,744	433,964
Right-to-use leased asset	-	-	-	-	-	-	-	-	912,893	902,219
Total cost of assets	10,704,971	13,085,869	23,884,315	95,346,989	38,955,239	42,085,005	56,403,051	58,974,013	68,935,057	75,455,936
Less: accumulated depreciation and amortization	3,503,719	4,420,721	4,718,083	7,001,075	9,869,320	13,326,546	16,260,159	18,078,784	21,672,517	26,073,962
Net capital assets	\$ 7,201,252	\$ 8,665,148	\$ 19,166,232	\$ 88,345,914	\$ 29,085,919	\$ 28,758,459	\$ 40,142,892	\$ 40,895,229	\$ 47,262,540	\$ 49,381,974

Source: MCTD Audited Financial Statements

**MARIN COUNTY TRANSIT DISTRICT
STATISTICAL SECTION
OPERATING INFORMATION
VEHICLE OPERATING STATISTICS
LAST NINE FISCAL YEARS**

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Motorbus:									
Vehicles Operated in Annual Maximum Service (VOMS)	69	53	55	54	54	54	56	59	59
Vehicles Available for Annual Maximum Service	85	82	74	71	71	71	75	77	83
Total Actual Vehicle Revenue Miles	2,133,375	2,166,258	2,307,555	2,300,458	2,317,639	2,272,524	2,792,082	2,912,236	2,642,108
Total Actual Vehicle Revenue Hours	152,799	156,803	178,049	180,238	180,036	175,859	203,747	189,985	182,308
Unlinked Passenger Trips	3,252,116	3,031,450	2,926	3,001,619	2,978,991	2,423,027	1,429,586	2,294,429	2,648,326
Passenger Miles Traveled (PMT)	13,209,269	12,312,979	11,970,345	12,281,711	12,189,124	9,914,289	8,048,569	12,671,390	11,440,768
Days Operated	365	366	365	365	365	366	365	365	365
Demand Response:									
Vehicles Operated in Annual Maximum Service (VOMS)	38	27	26	31	33	31	18	21	19
Vehicles Available for Annual Maximum Service	39	34	46	39	42	39	37	35	31
Total Actual Vehicle Revenue Miles	927,058	688,072	617,199	704,224	753,794	599,879	298,590	428,922	375,035
Total Actual Vehicle Revenue Hours	60,417	44,764	42,806	47,569	55,083	42,439	22,829	25,972	21,800
Unlinked Passenger Trips	137,131	98,483	93,410	98,068	108,076	86,049	31,166	51,300	46,102
ADA Unlinked Passenger Trips (UPT)	132,138	98,236	93,174	97,832	106,918	85,409	25,880	42,843	39,079
Passenger Miles Traveled (PMT)	1,039,975	811,798	757,048	772,059	717,078	592,626	210,912	375,530	367,021
Days Operated	365	366	365	365	365	366	365	365	365

Note: FY2015 was the first year the District reported its own information in the National Transit Database (NTD). Information will be added prospectively until ten years is available

Source: National Transit Database Reports

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OTHER REPORTS

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MARIN COUNTY TRANSIT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2023

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified _____ Yes X None Reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Type of auditor’s report issued on compliance for major programs:

Unmodified

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified _____ Yes X None Reported

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

_____ Yes X No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
20.507	Federal Transit

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ X Yes _____ No

SECTION II – FINANCIAL STATEMENT FINDINGS

Our audit did not disclose any significant deficiencies, or material weaknesses or instances of noncompliance material to the basic financial statements. We have also issued a separate Memorandum on Internal Control dated November 6, 2023, which is an integral part of our audits and should be read in conjunction with this report.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Our audit did not disclose any findings or questioned costs required to be reported in accordance with Uniform Guidance.

**MARIN COUNTY TRANSIT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Federal Expenditures
US Department of Interior, National Park Service Direct Programs:			
National Park Service Conservation Protection, Outreach, and Education		P18AC00483- 0001-A001	
(Muir Woods Shuttle)	15.954	0002-A001	<u>\$604,314</u>
Total U.S. Department of the Interior Direct Programs, National Parks Service			<u>604,314</u>
US Department of Transportation Direct Programs:			
Federal Transit - Formula Grants (Urban Area Formula Program)			
(5307 - Novato Bus Stop Shelters)	20.507	CA-2021-137-00	1,527
(5307 - ADA Bus Stop Improvements)	20.507	CA-2021-137-00	96,531
(5307 - Purchase 5 Paratransit Replacements)	20.507	CA-2021-137-00	3,924
(5307 - ADA Paratransit Operations)	20.507	CA-2021-158-00	1,039,640
(5307 - Replace 5 Paratransit Vehicles)	20.507	CA-2021-158-00	3,550
(5307 - Hybrid Battery Replacements)	20.507	CA-2021-158-00	240,398
(5307 - Fixed Route Operations)	20.507	CA-2022-010-01	<u>3,589,664</u>
Total Federal Transit Formula Grants			<u>4,975,234</u>
US Department of Transportation Pass-Through Programs From:			
California State Transportation Agency			
(5311 Stagecoach Rural Operations)	20.509	64BO21-01860	297,303
(5311 Operations of Stagecoach)	20.509	64TO21-01860	<u>246,000</u>
California State Transportation Agency			
(5311 Mobility Management)	20.513	CA-2020-210-00	<u>9,330</u>
Total Passed-Through California State Transportation Agency			<u>552,633</u>
Total US Department of Transportation			<u>5,527,867</u>
Total Expenditures of Federal Awards			<u><u>\$6,132,181</u></u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards

MARIN COUNTY TRANSIT DISTRICT

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2023**

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Marin County Transit District (the District) under programs of the federal government for the fiscal year ended June 30, 2023. The information in this schedule 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).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenses reported on the Schedule are reported on the accrual basis of accounting. Such expenses are recognized following the cost principles contained in the Uniform Guidance and/or U.S. Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, wherein certain types of expenses are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST ALLOCATION PLAN

The District has an indirect cost allocation plan (ICAP) approved by the United States Department of Transportation, Federal Transit Administration (FTA) that is charged to programs where allowed under the related agreements. The ICAP during the fiscal year ended June 30, 2023, included an ICAP rate of 21.63% and a fringe benefit rate of 60.66% of total direct salaries and wages.

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 – SUBRECIPIENTS

There were no subrecipients of the District's programs during the fiscal year ended June 30, 2023.

**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
Marin County Transit District
San Rafael, 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 basic financial statements of the Marin County Transit District (District), California, as of and for the year ended June 30, 2023, and have issued our report thereon dated November 6, 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 have not been 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*

We have also issued a separate Memorandum on Internal Control dated November 6, 2023, which is an integral part of our audit and should be read in conjunction with this report.

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.

Maze + Associates

Pleasant Hill, California
November 6, 2023

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

To the Board of Directors
Marin County Transit District
San Rafael, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Marin County Transit District Bicycle/Pedestrian Projects (Projects) of the Marin County Transit District, as of and for the year ended June 30, 2023, and the related notes to the 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 financial position of the Projects as of June 30, 2023, and the change in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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 opinion. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Projects' 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.

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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2023, on our consideration of the Projects' 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 Projects' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Projects' internal control over financial reporting and compliance.



Pleasant Hill, California
November 6, 2023



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

To the Board of Directors
Marin County Transit District
San Rafael, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Marin County Transit District's (District) compliance with the types of compliance requirements identified as subject to audit in the *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 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 (GAAS); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (Government Auditing Standards); 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 GAAS, *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 GAAS, *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 business-type activities and fiduciary fund of 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 issued our report thereon dated November 6, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements as a whole. 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 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 financial statements or to the 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.

A handwritten signature in black ink that reads "Maze + Associates". The signature is written in a cursive, flowing style.

Pleasant Hill, California
November 6, 2023

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**MARIN COUNTY TRANSIT DISTRICT
REQUIRED COMMUNICATIONS
FOR THE YEAR ENDED JUNE 30, 2023**

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M MARIN COUNTY TRANSIT DISTRICT

REQUIRED COMMUNICATIONS

For the Year Ended June 30, 2023

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REQUIRED COMMUNICATIONS

To the Honorable Members of the Board of Directors
Marin County Transit District
San Rafael, California

We have audited the basic financial statements of the Marin County Transit District (District) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards and Uniform Guidance*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in the letter dated February 21, 2023, which was approved by the Board of Directors on March 6, 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

Accounting Policies – Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District 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.

Unusual Transactions, Controversial or Emerging Areas – We noted no transactions entered into by the District 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 – 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 District’s financial statements were:

Estimated Net Pension Liabilities and Pension-Related Deferred Outflows and Inflows of Resources: Management’s estimate of the net pension liabilities and deferred outflows/inflows of resources are disclosed in Note 7 to the financial statements and are based on actuarial studies determined by a consultant, which are based on the experience of the District. 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.

Estimate of Depreciation: Management’s estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 1G to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Disclosures – 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. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the District's Board of Directors.

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 a management representation letter dated November 6, 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 District'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 District'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 the required supplementary information that accompanies and supplements 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 required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

We were engaged to report on the supplementary information that accompanies the financial statements, but is not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory and Statistical Sections included as part of the Annual Comprehensive Financial Report, but are not required supplementary information. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on them.

This information is intended solely for the use of District Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Maze + Associates

Pleasant Hill, California
November 6, 2023

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marintransit.org

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Director
City of San Rafael

Fred Casissa

Alternate
Town of Corte Madera

December 4, 2023

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

Subject: Annual School Transportation Services Report

Dear Board Members:

Recommendation

Accept report.

Summary

Many students depend on public transportation or yellow bus programs for transportation to/from school and extracurricular activities. While the State of California does not require transportation services for general education students, Marin Transit and many of the school districts within the County recognize the importance of these services and allocate financial resources to provide them. This report summarizes student transportation trends within the County, details the various transportation services available to students, and highlights usage of these services in the 2022/23 academic year.

Background

Youth riders have always been a core market for Marin Transit services. Efforts are focused on making sure that routes adjacent to school sites are timed to bell schedules and have adequate capacity to support ridership trends. In some instances, additional services are added on school days only (Supplemental Services) to meet the needs of schools that are not adjacent to existing fixed route services.

Yellow school bus services are also provided in certain districts for students. Countywide, over twice as many students use these services over public transit. These services are typically provided by the school district or in some cases Marin Transit or a JPA that represents multiple government agencies. Students in grades K-8 represent the majority of yellow bus riders.

In 2014, Marin Transit, in collaboration with Transportation Authority of Marin and the Marin County Office of Education, embarked on an initiative to address traffic congestion issues, explore safe and healthy alternative student transportation options, and enhance the organization of resources dedicated to student transportation in the County. While the initial study was completed in 2015, subsequent ad-hoc meetings continued until 2018 to facilitate planning



for student transportation services. More information on these efforts can be found online at: <https://marintransit.org/projects/countywide-school-transportation-study>.

This study provided an initial framework for Marin Transit and others in the County on the appropriate type of bus solution based on several factors including the school's location, grade, and student enrollment boundaries. The District has been using this document to guide recent decisions in service delivery related to home to school services. The attached presentation provides additional information on this study and the history of student transportation services by Marin Transit.

FY2023/24 Supplemental Service

Supplemental Service refers to additional public transit service offered by Marin Transit on school days only to accommodate student demand beyond the regular fixed route network. These routes typically serve school locations that are not already well served by transit.

Delivering Supplemental Service is challenging due to the need for a concentrated increase in service for a very limited time each morning and afternoon on school days only. Since demand outside these hours is often very low or non-existent, drivers and vehicles needed to support this program often sit idle for the majority of the day and during the summer and holiday breaks when school is not in session.

Many of the District's contractors have either declined to provide this Supplemental Service (Golden Gate Transit in 2014) or faced driver shortage issues that resulted in service cancellations and unreliable service (MV Transportation in 2022). To complicate the situation, the passage of Senate Bill 328 forced bell schedules for high schools to shift later in the morning (no earlier than 8:30am), resulting in the majority of schools all starting and ending at the same time. These factors have forced the District to shift dedicated Supplemental Service resources to regular transit services, increasing service frequency to meet the needs of students and general riders together. This shift has resulted in decreasing the Supplemental program in favor of a more robust public transit network.

Beginning in August 2022 and culminating in June 2023, Marin Transit began a process of consolidating Supplemental School routes into regular fixed route public transit services. This adjustment allowed for an increase in route efficiency on regular fixed route services so that operational resources could be allocated appropriately- where demand was higher. As a result, the Supplemental School routes were reduced from nine routes to four routes in 2023/24, with the remaining Supplemental routes focused on service to schools with student origins or school sites outside the core fixed route network.

Attachment A shows a comprehensive listing of all schools that have some level of busing service provided. This information is also available on our website at: <https://marintransit.org/schools>.

In addition to the operational challenges mentioned previously, additional obstacles to expanding these services include a lack of parking and maintenance facilities, fleet limitations, and uncoordinated bell schedules that create inefficient use of the buses.

FY2022/23 Youth Transit Pass Program

Marin Transit offers an annual Youth Transit Pass at \$325 to students registered at participating Marin County schools. The pass allows students to ride local bus routes without paying any additional fare. Students of income-qualified families can receive the pass for free by completing an eligibility application and submitting it to an assigned school coordinator for verification. Designed for students independently navigating the local transit system for travel to/from school, work, or other activities, the Youth Transit Pass is particularly geared towards high school attendees, with some elementary and middle school participants.



In 2022/23, 1,737 passes were distributed at 26 participating schools; 96% of those passes were distributed free to income-qualified students. Compared to the previous year, the number of passes distributed in the 2022/23 school year increased by 9% with free passes slightly exceeding the amount distributed in the prior year. **Table 1** provides a list of participating schools and passes distributed by district.

Table 1: FY2022/23 Youth Pass Distribution Statistics by District

District	# Schools	# Passes	% Free
Kentfield ¹	1	5	100%
Lagunitas SD ¹	1	3	67%
Larkspur-Corte Madera ¹	1	25	48%
Marin County Office of Education	1	26	100%
Mill Valley ¹	1	3	100%
Novato Unified	8	487	99%
Ross Valley ¹	1	28	79%
San Rafael	5	878	99%
Sausalito-Marín City ¹	1	24	99%
Tamalpais Union ²	5	256	90%
Private/Independent	1	2	100%

1. Elementary and middle school only district

2. High school only district

FY2023/24 Measure AA Yellow School Bus Programs

Measure AA is an extension of the existing Marin County half cent sales tax for transportation and was approved by voters on November 6, 2018. Under the renewed measure, Marin Transit receives five percent of the Measure AA funds for school-related transportation programs and services. In June 2022, your board approved the funding allocation for the second three-year term of the Measure AA tax expenditure plan for yellow school bus funding. Staff determined approximately \$750,000 annually was available as a reimbursement to five regular yellow school bus programs located within the urbanized areas of the County. **Table 2** provides a summary of each program’s size and scope during the 2022/23 school year.

Table 2: FY2022/23 Measure AA Yellow School Bus Funding Recipients

Program	# One-Way Passes Distributed	# Buses	# Schools Served
Miller Creek School District	805	13	4
Ross Valley Area Schools	613	5	3
San Rafael Elementary City School District	1,510	15	7
Sausalito-Marín City School District	100	1	2
Tiburon JPA (Reeds Schools and The Cove)	825	5	4



For FY2023, \$750,000 was distributed based on the approved distribution formula that factored the cost of a one-way pass and the number of passes distributed. Earlier this year, staff determined that an additional \$340,000 of unspent funds was available from the first three-year term due to lower expenditures during the pandemic. In May, your board approved the distribution formula for the additional funds making them available for the final two fiscal years of the current Measure AA three-year funding cycle (i.e., FY2024 & FY2025). **Table 3** shows the funding amounts for each Measure AA yellow school bus funding recipient in FY2023/24.

Table 3: FY2023/24 Measure AA Funding Allocation

FY2023/24 Allocations	Reed Union & Cove	Ross Valley	San Rafael	Miller Creek	Sausalito/Marin City	Total
Base Allocation	\$211,507	\$230,975	\$260,681	\$28,616	\$27,130	\$758,909
Carryforward Allocation	\$80,375	\$89,456	\$99,000	\$54,338	\$10,303	\$333,421
Total	\$291,832	\$320,431	\$359,681	\$82,953	\$37,433	\$1,073,171

Ross Valley Area Yellow Bus Program

Yellow Bus Service in the Ross Valley is directly contracted and managed by Marin Transit, with oversight from a Joint Exercise of Power Agreement that includes the Towns of San Anselmo and Fairfax, the County of Marin, and the Ross Valley School District. In June 2023, the five-year contract between Marin Transit and the service provider for the Ross Valley Area yellow bus program ended. Through a competitive procurement process, staff received two responsive proposals and both responses submitted pricing that was at least 20% higher than the previous year’s rates. Based on the recommendation of the request for proposal evaluation committee, the contract was awarded to a new vendor, Bauer's Intelligent Transportation.

The new contract included an increase in costs which had an impact on the price of the bus pass from the previous year. This year, one-way passes were sold at \$575 each way, an increase from \$515 the previous year. A parent must purchase a morning and afternoon pass to provide a “round trip” ride for their student. The total cost of the combined passes to and from school is \$1,150, equivalent to \$3.19 per trip. To ensure cost is not a barrier to acquiring a pass, income qualified families can purchase a pass at the reduced rate of \$75 each way.

Bus passes were made available through a randomized lottery process due to high demand on certain routes. A total of 640 one-way passes have been distributed to 382 students which is a 4% increase over last year. The number of income qualified passes have increased by 35%.

Respectfully Submitted,

Christopher Whitlock
Senior Operations Analyst



Attachment A: Busing Service, By School

Attachment B: Annual School Transportation Services Presentation

Busing Service, By School

School	City	Bus Services
Larkspur-Corte Madera School District		
Cove School	Corte Madera	Yellow Bus
Hall Middle School	Larkspur	29 613
Neil Cummins Elementary School	Corte Madera	22 613
Mill Valley School District		
Mill Valley Middle School	Mill Valley	17 61
Strawberry Elementary School	Mill Valley	219
Miller Creek School District		
Lucas Valley Elementary School	Marinwood	Yellow Bus
Mary E. Silveira Elementary School	Marinwood	Yellow Bus
Vallecito Elementary School	Terra Linda	35 57 245 Yellow Bus
Miller Creek Middle School	Marinwood	57 Yellow Bus
Novato Unified School District		
Novato High School	Novato	49 57
San Jose Middle School	Novato	57
San Marin High School	Novato	49 654
Sinaloa Middle School	Novato	654
Reed Union School District		
Bel Aire Elementary School	Tiburon	Yellow Bus
Del Mar Middle School	Tiburon	219 619 Yellow Bus
Reed Elementary School	Tiburon	Yellow Bus

School	City	Bus Services
Ross Valley School District		
Hidden Valley School	San Anselmo	Yellow Bus
White Hill School	Fairfax	23 68 228 625 Yellow Bus
San Rafael City Schools		
San Rafael High School	San Rafael	23 35 36
Terra Linda High School	Terra Linda	35 57 245
Davidson Middle School	San Rafael	23 35 36 Yellow Bus
Venetia Valley K-8	Santa Venetia	233 Yellow Bus
Bahia Vista Elementary School	San Rafael	23 35 36 Yellow Bus
Coleman Elementary School	San Rafael	Yellow Bus
Glenwood Elementary School	San Rafael	Yellow Bus
Laurel Dell Elementary School	San Rafael	Yellow Bus
San Pedro Elementary School	San Rafael	Yellow Bus
Sun Valley Elementary School	San Rafael	Yellow Bus
Sausalito-Marin City School District		
MLK - Nevada St Campus	Sausalito	Yellow Bus
MLK - Philips Campus	Marin City	17 61 Yellow Bus
Tamalpais Union High School District		
Redwood High School	Larkspur	29 613 619
San Andreas School	Larkspur	29 613 619
Archie Williams High School	San Anselmo	23 68 228 625
Tamalpais High School	Mill Valley	17 61



Annual School Transportation Services Report

December 4, 2023

Agenda

- 01** Home to School Transportation Overview
- 02** Current Services Overview
- 03** Student Ridership Summary
- 04** Youth Pass & COM Card Program
- 05** Yellow Bus Program Support

Home to School Transportation Overview

HOME TO SCHOOL TRANSPORTATION SERVICE TYPES



Yellow Bus

K-8 Schools + Rural Schools

School Districts + Marin Transit



Public Transit

High Schools & Middle Schools
Along Existing Transit Routes

Marin Transit



Supplemental Public Transit

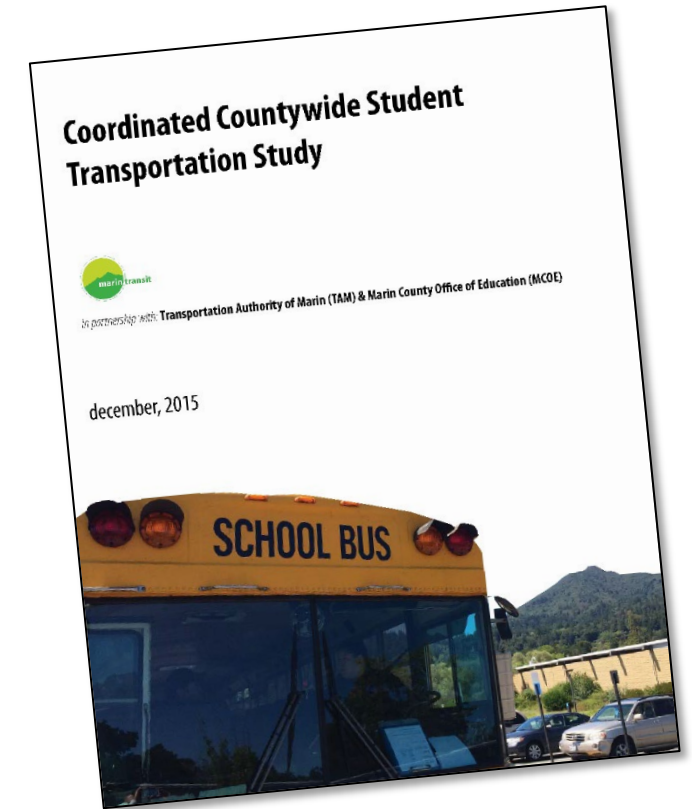
Expanded Service for High
Schools Not Directly Along
Existing Transit Routes

Marin Transit

Coordinated School Transportation Study




Key Findings

- Best model for student transportation:
 - K-8 – **Yellow Bus**
 - High School – **Public Transit**
- Transit and Yellow Bus **fares need to be better aligned**
- Service levels are largely dependent upon **funding and capital investments** (vehicles & facilities)
- Additional work is needed to identify an appropriate **organizational structure**, a detailed **financial plan**, **cost-sharing options**, and a **timeline** for the Yellow Bus service


















Current Services Overview (2022-23)

Home to School Transportation Services (2022-23)

-  **Yellow Bus**
-  **Public Transit**
-  **Supplemental
Public Transit**

*Based on 2022/23 academic year. Table does not include private schools or schools in West Marin



District	Bus Service Type
Kentfield	
Larkspur-Corte Madera	  
Mill Valley	
Miller Creek	
Novato Unified	 
Reed Unified	
Ross Valley	 
San Rafael	  
Sausalito-Marín City	
Tamalpais Union	 

School Served Map*

- Yellow Bus – 17 Schools
- Public Transit – 12 Schools
- Supplemental Public Transit – 4 Schools

*Based on 2022/23 academic year. Public Transit sites shown have at least 10 students participating in the youth pass program. Map does not include private schools or schools in West Marin



Student Ridership Summary

ESTIMATED AVERAGE DAILY RIDERSHIP*



YELLOW BUS (K-8)

5,500



PUBLIC TRANSIT (K-12)

2,000

(25% on supplemental routes)

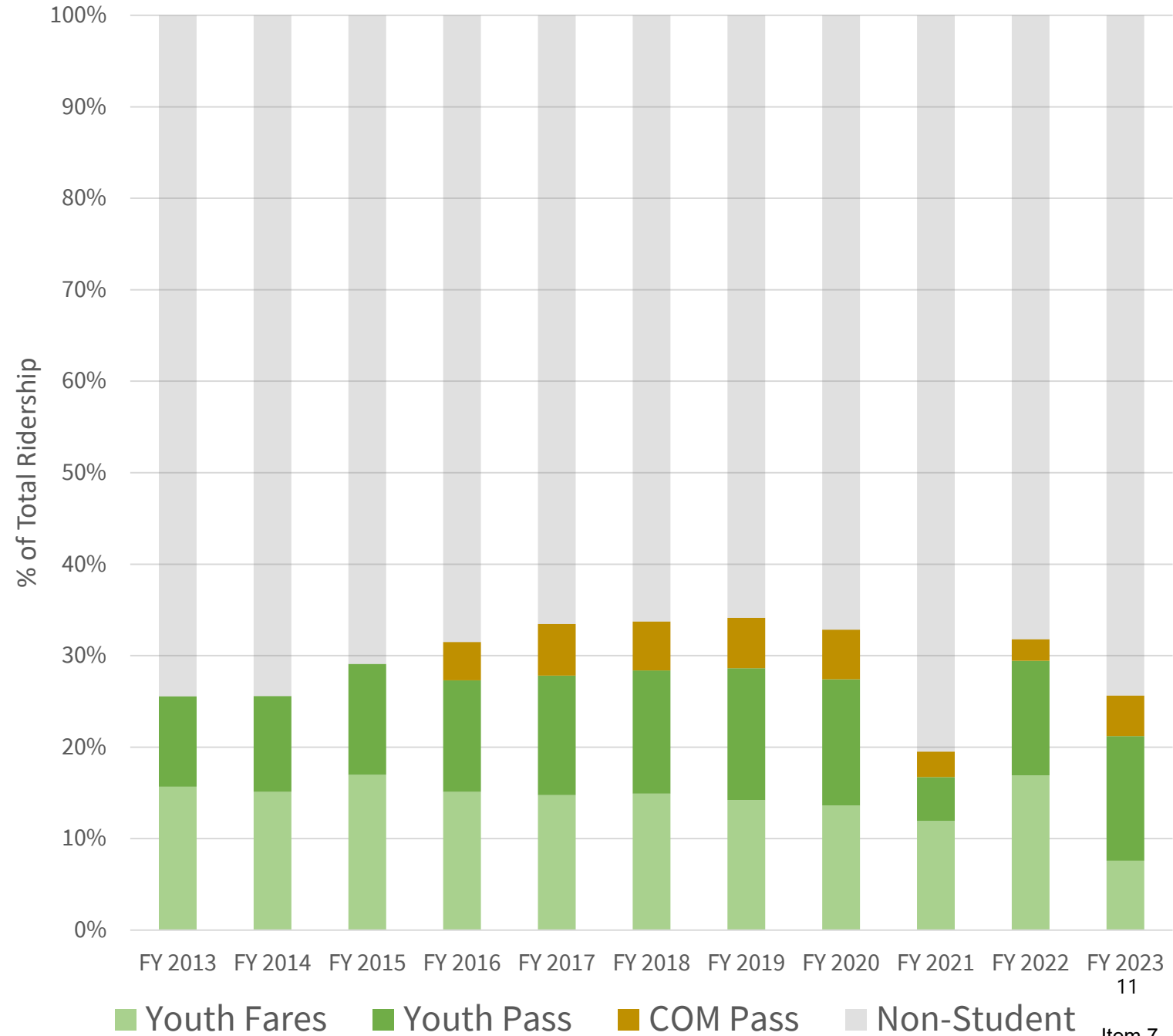


PUBLIC TRANSIT (COLLEGE OF MARIN)

500

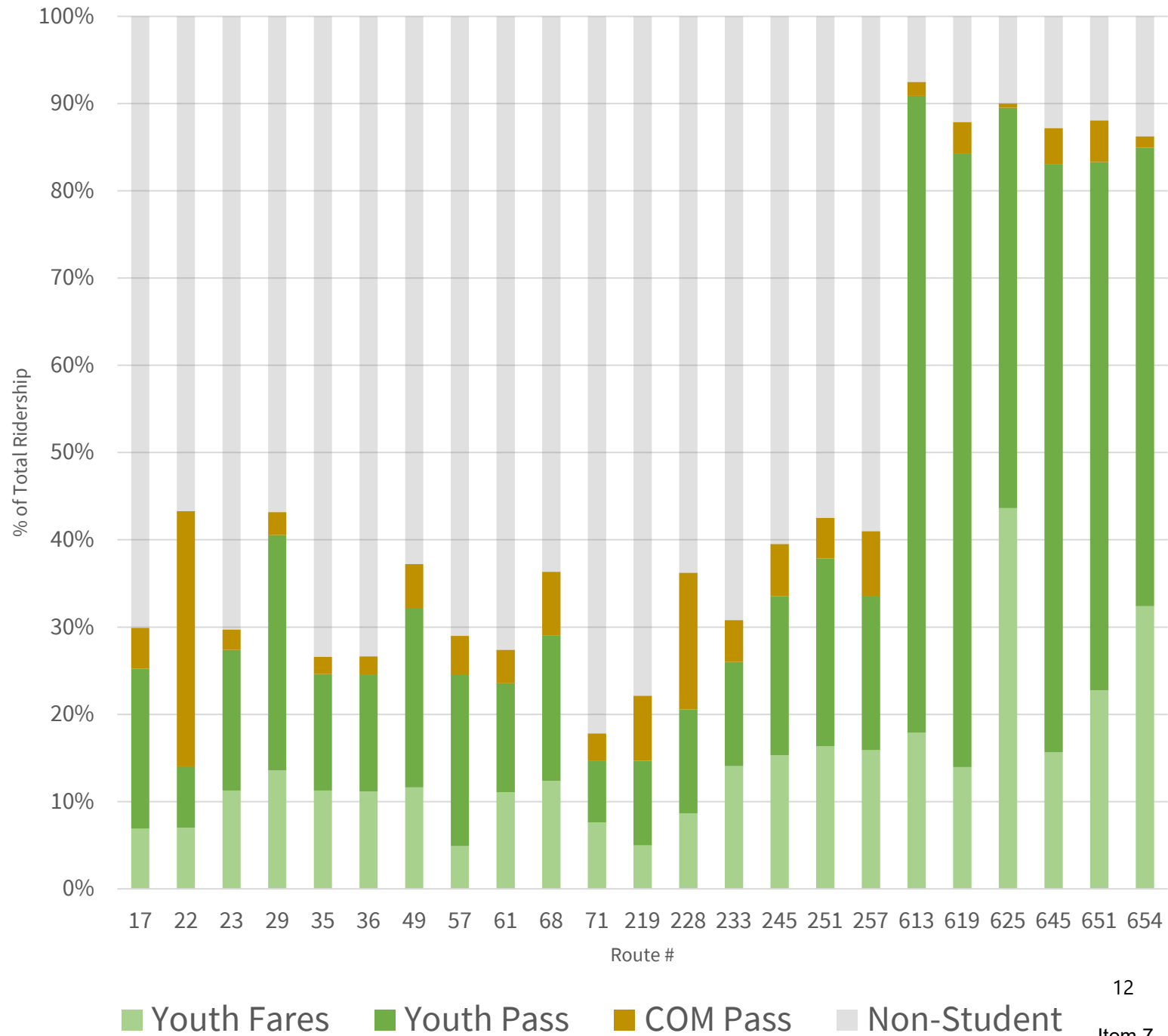
Youth/Student Ridership (Fixed Route), by Year

- Historically, 25-35% of total ridership is youth rides. In FY2022, 25.6%.
- Lowest % of youth ridership occurred during the pandemic: 19.5%
- Approximately 1/2 of all youth who ride have a youth pass
- Approximately 75% of all youth who ride have a youth pass or COM pass



Youth/Student Ridership (Fixed Route), by Route

- Supplemental Routes (600s) average 90% youth riders
- Route 22 (30%) and Route 228 (16%) have the highest COM pass usage
- Novato Routes (49, 57, 251, & 257) have higher % of youth riders than central and southern Marin routes
- Routes serving the Canal have some of the lowest % of youth ridership





Youth Pass & COM Card

FY2023 Student Flash Pass Programs

Youth Pass

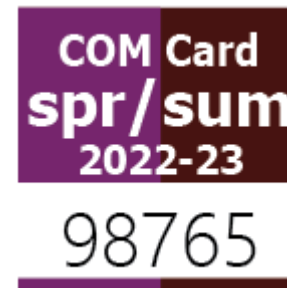
- Available to all K-12 students in Marin County
- 26 public and private schools participated
- Designated coordinator at each participating school
- 96% distributed passes free to income-qualified students



Youth Pass Sticker

COM Pass Program

- Students pay Transportation Fee per unit
 - \$10 minimum (2.5 units) + \$4 per unit, \$33 maximum
- Unlimited access to Marin Transit services during semester of registration



COM Pass Sticker

2022/23 Youth Pass Participation By School District

District	# Schools	# Passes	% Free
Kentfield ¹	1	5	100%
Lagunitas SD ¹	1	3	67%
Larkspur-Corte Madera ¹	1	25	48%
Marin County Office of Education	1	26	100%
Mill Valley ¹	1	3	100%
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Ross Valley ¹	1	28	79%
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Tamalpais Union ²	5	256	90%
Private/Independent	1	2	100%

1. Elementary and middle school only district
2. High school only district





Yellow Bus Program Support

Measure AA Yellow Bus Funding

1st Three Year Term (FY2019 – FY2022): \$600,000 annually

2nd Three Year Term (FY2023 - FY2025):

- \$750,000 annually in FY2023
- \$1,100,000 annually in FY2024 & FY2025

Current Program Recipients:

- Miller Creek School District
- Ross Valley Area Schools
- San Rafael Elementary City School District
- Sausalito-Marin City School District
- Tiburon JPA (Reed Schools and The Cove)

Programs required to annually confirm eligibility requirements



2023/24 Ross Valley Yellow Bus Program

New contractor: Bauer's Intelligent Transportation

Schools served:

- White Hill Middle School
- Hidden Valley Elementary
- Ross Valley Charter

640 passes distributed

Income-qualified passes increase by 35%

Customer service needs grew significantly; consider changes for next year



Thank you

CONTACT

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City of San Rafael

Fred Casissa

Alternate
Town of Corte Madera

December 4, 2023

Honorable Board of Directors
Marin County Transit District
3501 Civic Center Drive
San Rafael, CA 94903

Subject: Fare Collection Study Update

Dear Board Members:

Recommendation

Discussion item.

Summary

As presented at the September Board meeting, District staff is currently undertaking a comprehensive Fare Collection Study which is evaluating options to replace our fareboxes to continue cash acceptance while leveraging some of the new offerings from Clipper 2.0, which is expected to launch in mid-late 2024. The project is also looking at different passenger counting alternatives to allow for NTD reporting and to capture service planning data.

This memo summarizes findings from peer agency interviews as requested by your Board to identify trends and opportunities in fare collection; technology packages; and an initial assessment of alternatives. This informational item is meant to update your Board on the progress of this Study and solicit feedback on the current phase of the Study.

Background

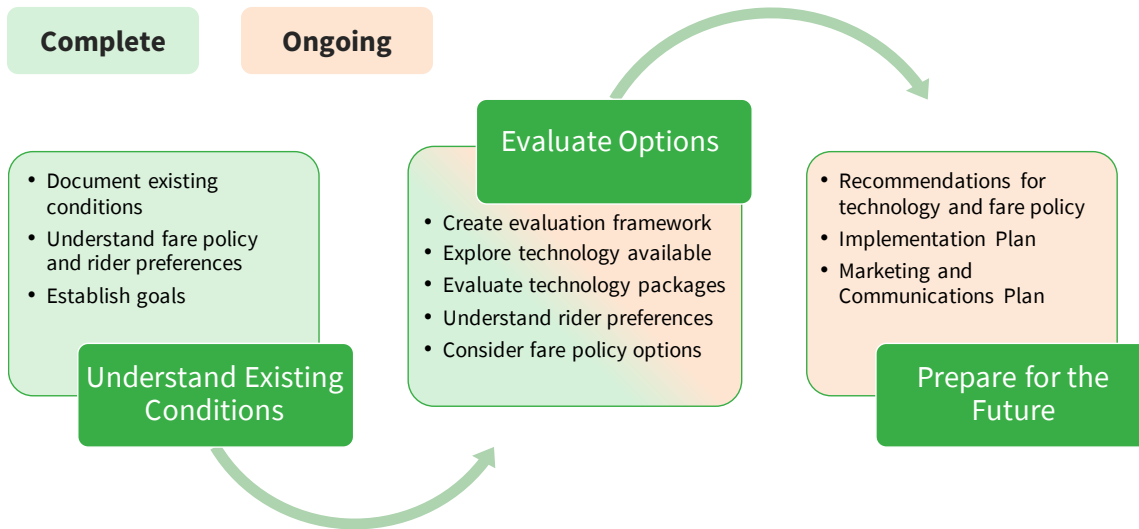
The purpose of the Study is to answer the following key questions: What equipment should Marin Transit use in the future to support cash payments and passenger counting, and should Marin Transit make any changes to fare policy in response to changes in the fare collection system technology or to address equity? Key goals for the fare system that serve as the foundation for the evaluation framework are as follows:

- Maintain business continuity
- Increase equity and inclusion
- Attract and retain riders

The Study has three phases, illustrated in the figure below. Currently, the team is in the second Phase. Additional background on the study can be found in the September Board item:

https://marin.granicus.com/ViewPublisher.php?view_id=31.

Figure 1 Fare Collection Study Phases



Discussion

Since the last presentation on the Study, the project team has completed peer agency “benchmarking” interviews, conducted a rider survey, and done an initial assessment of technology alternatives. The rider survey results are not yet ready and will be presented to your Board in 2024. A copy of the fare survey instrument is provided in Attachment A. Findings from the peer agency interviews and the technology assessment are summarized below and in Attachment B.

Peer Agency Interviews

Staff interviewed eight peer transit agencies to understand fare collection and passenger counting technology as well as marketing and fare policy efforts; for Bay Area peers, the interviews focused on experiences and lessons learned with transitioning to the Clipper system and fare policy changes to support Clipper transition and Clipper accessibility. Findings were generally aligned with Marin Transit’s approach and understanding to date:

- All agencies emphasized a desire to improve the passenger experience through seamless payments and clear, consistent, and simple fare structures make it easier for riders to understand and access the system.
- Most agencies offer financial incentives to use Clipper and/or disincentivize cash, e.g. promo campaigns to spur Clipper transition; Clipper discounts (steeper for promo period); transfers and pass products only available on Clipper; elimination of change cards; and free routes in low-income areas.
- Most use APCs for passenger counting, none use farebox; most agencies have moved to full fleet APCs; and most still maintain GFI fareboxes, and some use GFI fareboxes for rider type.
- Innovations such as fare capping and the introduction of open-payments are making the transit payment experience more seamless for riders, reducing the need for cash.
- Clipper mobile and Clipper 2.0 remove notable barriers to Clipper usage, and new regional Clipper discounts are available (Clipper START and regional free/discounted transfers); but



some challenges remain including the availability of Clipper vendors and the ability to easily add cash to cards without a bank account, credit/debit card, and/or mobile phone.

- **Lessons for Marin Transit:** There are alternative passenger counting solutions that are well established; the ease of use of the Clipper system for our riders will improve under Clipper 2.0, but some barriers will remain for some passengers; and as we assumed, continuing to collect cash is a necessary part of the future of fare collection for the agency.

Initial Alternatives Evaluation

The project team scanned the technologies that are available for fare collection and passenger counting and created three alternatives that can meet Marin Transit's needs. Clipper is assumed as a baseline in all three packages; the equipment included in these packages will complement Clipper readers on the bus. The alternatives are:

- Dropbox with Passenger Counts.** Mechanical boxes dedicated to cash collection. Parallel passenger counting systems or process through Automatic Passenger Counting (APCs) or Operator Tally
- Registering Farebox.** Mechanical boxes mostly focused on cash collection that automatically counts some or all of cash & coin inserted. Built-in passenger counting mechanism through integrated driver unit
- Validating Farebox.** Similar to the current farebox. Accepts cash and array of other fare media. Same level of passenger counting and data as today

Staff conducted an initial assessment of these three packages based on the Evaluation Framework that was presented to your Board in September; staff is currently in the process of conducting interviews with vendors regarding costs and capabilities of their products. The initial assessment of the three alternatives is shown in Attachment B and will be refined based on the further analysis and vendor interviews.

Next Steps

Staff will present a final assessment and recommendations to the Board in early 2024 after completing analysis of the rider survey and vendor interviews.

Fiscal/Staffing Impact

None.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Cathleen".

Cathleen Sullivan
Director of Planning

Attachment A: Fall 2023 Fare Study Survey Instrument

Attachment B: Fare Study Update Presentation

Fare Payment Survey

Thank you for taking the time to answer this brief survey! Changes are coming to the way customers pay fares on Marin Transit buses. Help us understand your needs and preferences as we make and communicate these changes. **PLEASE CIRCLE THE LETTER OF YOUR ANSWER.**

1. How do you usually pay for everyday items, like coffee or small food items?

- a. Cash
- b. Physical bank card, like a debit card, credit card, or prepaid debit card
- c. Smartphone mobile wallet (e.g., Apple OR Google Pay) or smart device (e.g., a watch)
- d. Check
- e. Other (specify)_____

2. What are the reasons you choose to pay for things with cash? [mark all that apply]

- a. I don't have a physical bank card, like a debit card or credit card.
- b. Paying with cash is simpler and easier for me.
- c. Paying with cash helps me budget and keep track of my money.
- d. I can't afford to add money to a bank account.
- e. I'm worried about overdraft or paying bank fees.
- f. The places I shop don't take credit cards.
- g. I don't usually pay with cash.
- h. Other (specify)_____

3. I have access to the following payment methods: [mark all that apply]

- a. Bank account with debit card
- b. Prepaid debit card
- c. Credit card
- d. Smartphone with a mobile wallet
- e. Payment app on smartphone (e.g., Venmo, Cash App, PayPal)
- f. Other (specify)_____

4. Do you use a Clipper card to pay for transit?

- a. Yes, I usually use one. (*skip to #6*)
- b. I have, but don't use it regularly.
- c. No, I have never used a Clipper card.

5. If you do not use a Clipper card, why? [mark all that apply]

- a. I don't know what a Clipper card is or how to get it.
- b. I don't ride transit enough to want a Clipper card.
- c. I buy a pass product that is not available on Clipper.
- d. I can't afford to add money to a Clipper card in advance.
- e. It's inconvenient/difficult to add money to a Clipper card.
- f. I don't want to be overcharged or forget to tag off.
- g. Paying with cash is simpler and easier.
- h. I did not know that discounts are available if I used Clipper.
- i. Other (specify)_____

6. Do you ride or transfer to other Bay Area transit systems?

- a. No, I usually just ride Marin Transit.
- b. Yes, I sometimes take: (mark all that apply)
 - i. SMART
 - ii. Golden Gate Ferry
 - iii. Golden Gate Transit
 - iv. San Francisco MUNI
 - v. Sonoma County Transit
 - vi. Santa Rosa Transit
 - vii. Petaluma Transit
 - viii. Other _____

7. How do you usually get information about transit?

- a. Facebook
- b. Twitter (now “X”)
- c. Instagram
- d. Radio
- e. TV
- f. On-bus advertisements
- g. Posters/information at bus stops
- h. 511
- i. Trip planning apps (e.g. Transit App, Google or Apple maps)
- j. Marin Transit website
- k. Email and e-blasts
- l. Friends and family

8. If you would like to be updated about news related to fare payment changes coming to Marin Transit, enter your email address and/or mobile phone number.

- a. Email address _____
- b. Phone number _____

9. If Marin Transit held a listening session to gain feedback from riders about Marin Transit and our services, would you be willing to participate for \$50 in transit fare? Yes No

Demographic Information *(will only be used to better understand our diverse riders’ needs)*

I ride Marin Transit:

- a. Every day
- b. Several times a week
- c. A few times a month
- d. A few times a year
- e. Never

How old are you?

- a. Under 18
- b. 18 to 34
- c. 35 to 49
- d. 50 to 64
- e. 65 or older
- f. I prefer not to answer.

What is your home zip code?

What is your income level?

- a. Less than \$10,000
- b. \$10,000-\$24,999
- c. \$25,000-\$34,999
- d. \$35,000-\$49,999
- e. \$50,000-\$74,999
- f. \$75,000-\$99,999
- g. \$100,000-\$149,999
- h. \$150,000 to \$200,000
- i. Over \$200,000
- j. I prefer not to answer.

Choose all that describe you:

- a. African American/Black
- b. American Indian or Alaska Native
- c. Asian
- d. Latino/a or Hispanic
- e. Middle Eastern/North African
- f. Native Hawaiian or Pacific Islander
- g. White/Caucasian
- h. Other _____
- i. I prefer not to answer.

Thank you for taking the survey! For more information or assistance, visit www.marintransit.org/farestudy or call (415) 226-0855.



Fare Collection Study

DECEMBER BOARD UPDATE

December 04, 2023



Agenda

- 01** Project Recap
- 02** Benchmarking with peer agencies
- 03** Alternative Technology Packages
- 04** Next Steps



Project Recap

Fare Study Project Recap

- Current fareboxes no longer supported in 2025.
- Clipper 2.0 expected mid-2024, which will allow Marin Transit to offer more fare products
- Goal is to continue to accept cash via new fareboxes while promoting transition to Clipper to leverage new Clipper 2.0 offerings
- Also considering:
 - Passenger counting alternatives to allow for NTD reporting and service planning data
 - Fare policy to ensure equitable access to system



Source: Marin Transit

Simplified Fare Study Objectives

Fare System Goals

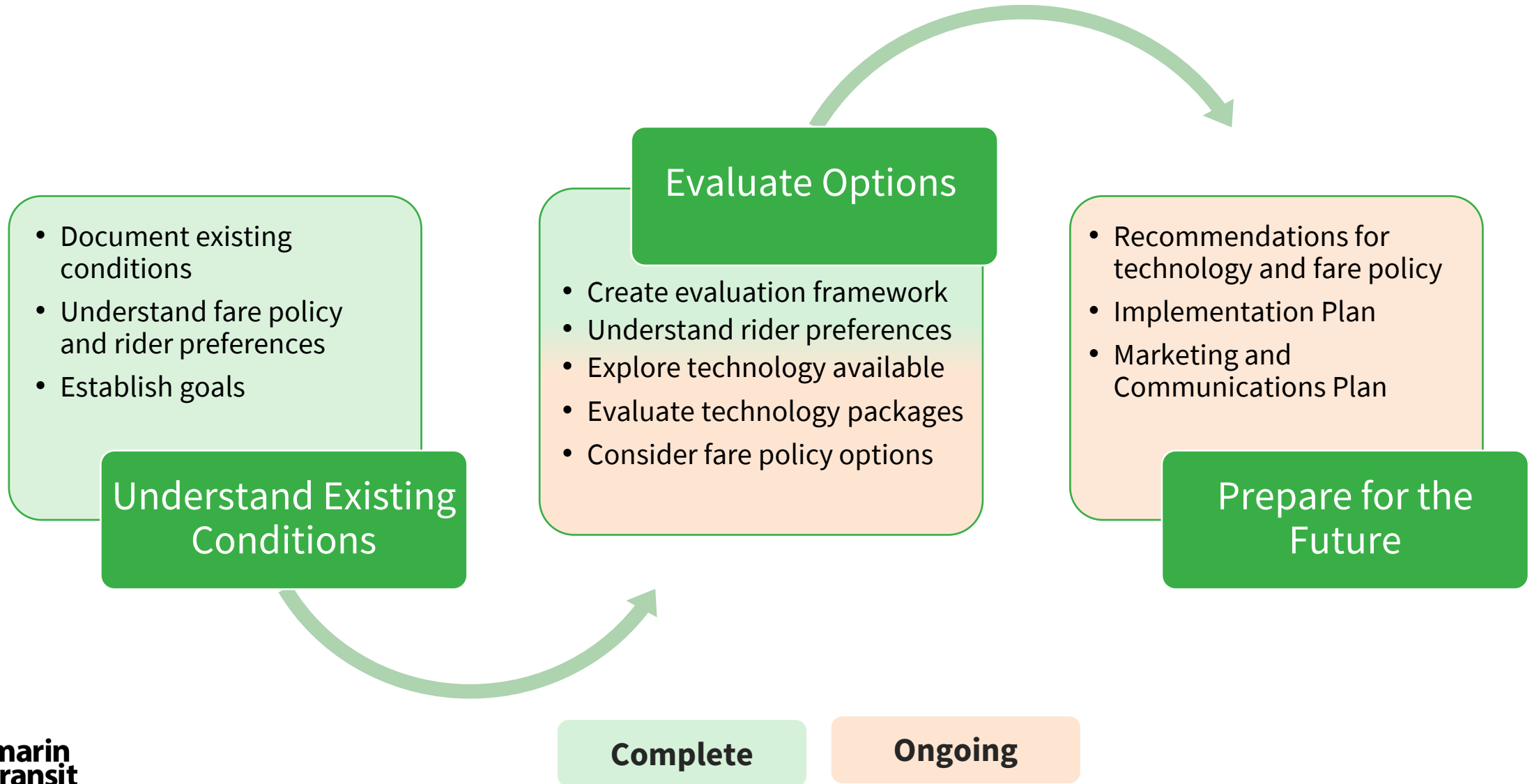
Maintain business continuity

Increase equity and inclusion

Attract and retain riders

- Cost effectiveness and operational efficiency
- Count passengers accurately
- Reduce reliance on paper passes and cash while continuing to accept cash
- Make fare payment easy, fare products and discounts readily available
- Smooth transition for riders and Marin Transit

Fare Collection Study Phases



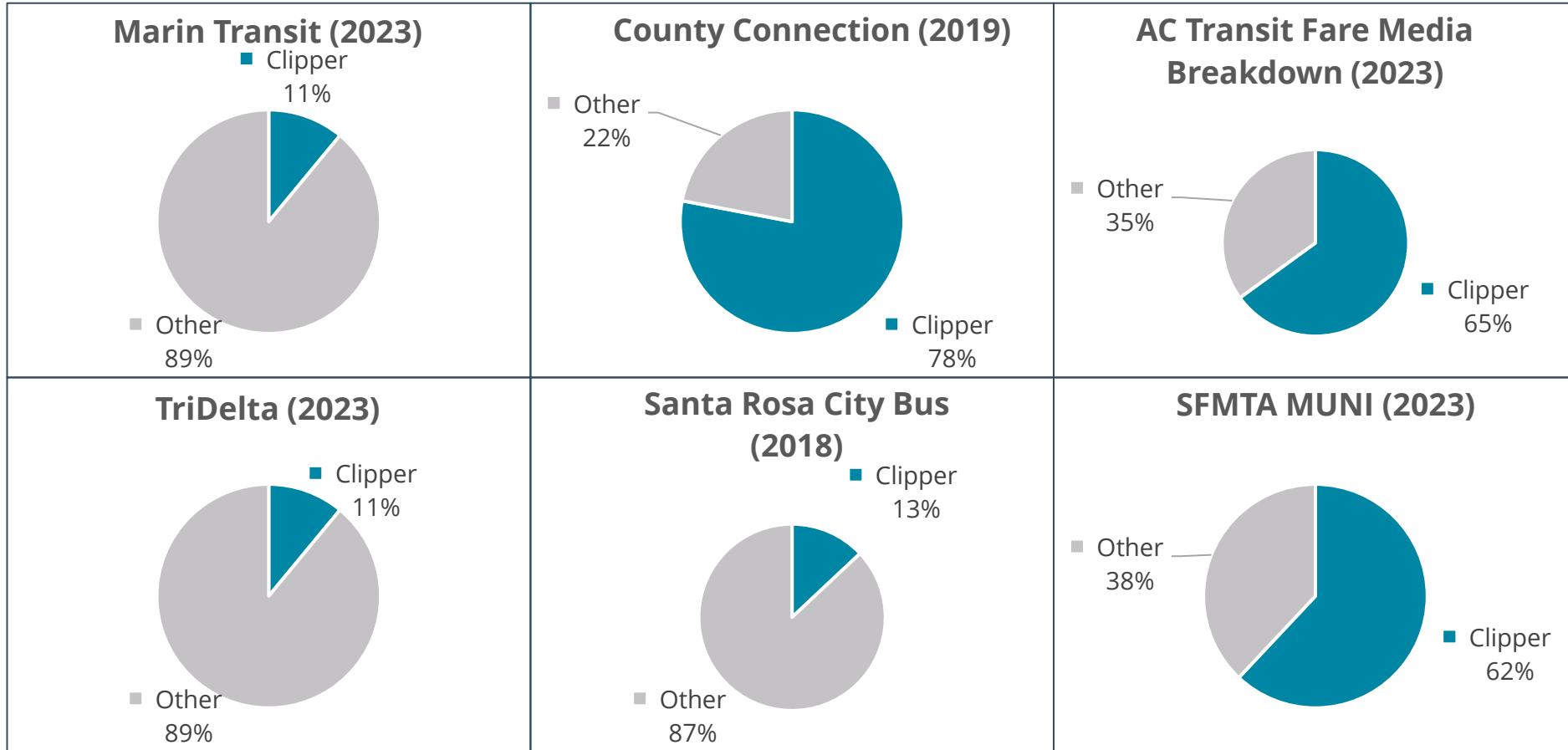


Benchmarking Peer Agencies

Peer Agency Interviews

- Interviewed five Bay Area agencies to understand
 - experience with Clipper,
 - how they have used policies and incentives to promote Clipper,
 - overcoming challenges with Clipper, and
 - on-board technology for fares and passenger counting
- Spoke to three additional non-Clipper agencies who have considered options to reduce reliance on the farebox and increase use of non-cash payments.

Bay Area Agency Clipper Adoption Examples



Sources: MTC on-board survey, Marin Transit Interviews.



Lessons Learned

Simplify, Reduce Redundancy, Reduce Cash, Utilize New Technologies

- Simplify fare structure
- Target discounts to those who need them
- Most agencies offer financial incentives to use Clipper and/or disincentivize cash
- Most use APCs for passenger counting; none use farebox
- Cost of cash collection can be significant
- Agencies are looking at a combination of open-loop (bank-cards) and closed-loop solutions (e.g.: Clipper)
- Clipper mobile and Clipper 2.0 remove notable barriers to Clipper usage and new Clipper regional discounts available

Lessons Learned

- **Challenges remaining under Clipper 2.0**

- Clipper vending availability
- Adding cash value on Clipper
- Card giveaways: Cards often discarded after promotional value is gone, hard to educate on value of card

- **Key take-aways**

- Alternative passenger counting alternatives are well established
- Can increase Clipper usage but barriers will remain → Must keep collecting cash



Technology Packages

Final Evaluation Criteria

Goals for the System	Evaluation Criteria
(1) Maintain business continuity	a. Costs (capital and ongoing)
	b. Supports financial operations
	c. Rider data
	d. Operational efficiency
	e. Ability to continue supporting cash collection while transitioning pass products to Clipper
(2) Increase equity and inclusion	a. Reduction of barriers to transit use that are due to fares
	b. Ease of accessing and using discounted payment options
(3) Attract and retain riders	a. Legibility of fare payment options and process – simple and streamlined
	b. Reflection of rider preferences in fare policy
	c. Alignment with Bay Area transit operator fare coordination efforts

Summary of technology packages



A. Drop box with Passenger Counts

- Simple mechanical boxes dedicated to cash collection
- Passenger counting systems via **Automatic Passenger Counting (APCs) or Operator Tally**



B. Registering Farebox

- Mechanical boxes mostly focused on cash collection that automatically count some or all of cash & coin inserted
- **Built-in passenger counting mechanism through integrated driver unit**



C. Validating Farebox

- Similar to current farebox. Fully validates and counts cash and accepts array of other fare media
- **Same level of passenger counting and data as today**

Cost of fare collection is a key consideration

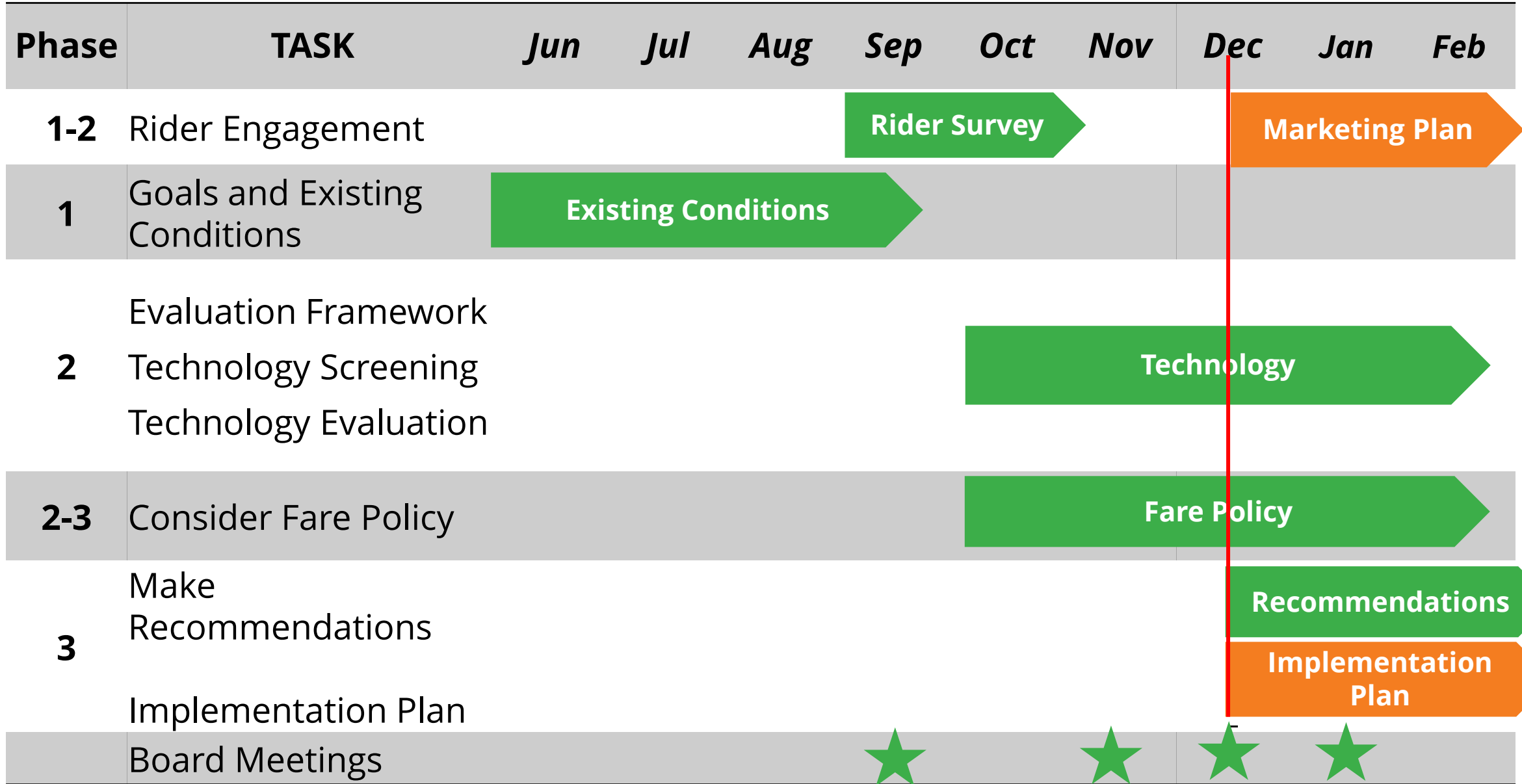
Evaluation Criteria	A. Drop Box	B. Registering Farebox	C. Validating Farebox
Capital costs of new fare equipment	<p>●</p> <p><\$5k / farebox + APC and/or tablet</p>	<p>●</p> <p><\$10k / farebox + potential tablet</p>	<p>●</p> <p>\$12k-20k / farebox</p>
Ongoing fare collection costs	<p>●</p> <p>Little to no O&M paid to farebox vendor Some ongoing maintenance costs might be needed for APC & tablet</p>	<p>●</p> <p>Lower O&M paid to farebox vendor than today Potential nominal fee for tablet software</p>	<p>●</p> <p>Similar O&M paid to farebox as today</p>

Initial assessment of fareboxes

Evaluation Criteria		A. Drop Box	B. Registering Farebox	C. Validating Farebox
(1) Maintain business continuity	Costs (capital and ongoing)	●	●	●
	Supports financial operations	●	●	●
	Rider data	●	●	●
	Operational efficiency	●	●	●
	Ability to continue supporting cash collection while transitioning pass products to Clipper	●	●	●
(2) Increase equity and inclusion	Reduction of barriers to transit use that are due to fares	●	●	●
	Ease of accessing and using discounted payment options	●	●	●
(3) Attract and retain riders	Legibility of fare payment options and process – simple and streamlined	●	●	●
	Reflection of rider preferences in fare policy	●	●	●
	Alignment with Bay Area transit operator fare coordination efforts	●	●	●



Next Steps, Discussion



Fare Study Task

Plan for 2024

Next Steps & Discussion

NEXT STEPS

- December:
 - Document rider survey results, finalize alternatives evaluation
 - Create recommendation for fare collection, passenger counting, and fare policy for Board consideration
 - Start implementation plan and marketing and communications plan
- Early 2024: Board to consider staff recommendations

DISCUSSION

- Input on technology alternatives
- Input on fare policy considerations

Thank you

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