



**VICTOR VALLEY TRANSIT AUTHORITY
REGULAR MEETING OF
THE BOARD OF DIRECTORS
Tuesday, January 21, 2025, 9:30 A.M.**

**Victor Valley Transit Authority
17150 Smoke Tree Street
Hesperia, CA 92345**

Victor Valley Transit Authority Board of Directors

James Noble, Chair, City of Barstow
Liz Becerra, Vice-Chair, City of Victorville
Allison Lee, Director, City of City of Hesperia
Paul Cook, Director, County of San Bernardino
Dawn Rowe, Director, County of San Bernardino
Gabriel Reyes, Director, City of Adelanto
Curt Emick, Director, Town of Apple Valley

MISSION STATEMENT

Our mission is to serve the community with excellent public transportation services in terms of quality, efficiency, and responsiveness.

AGENDA

The Board of Directors meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed in order to participate in the public meeting, requests should be made through the Clerk of the Board at least three (3) business days prior to the Board meeting. The Clerk's telephone number is 760-948-3262 x102, (voice) or for Telephone Device for the Deaf (TDD) service, begin by calling 711 and provide the VVTA phone number and the office is located at 17150 Smoke Tree Street, Hesperia, CA. This agenda will be available and posted: Friday, January 10, 2025.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

ANNOUNCEMENTS

PUBLIC COMMENTS

This is the time the Board will hear public comments regarding items on the agenda, not on the agenda, or the consent calendar. Individuals who wish to speak to the Board regarding agenda items or during public comments should fill out a comment card and submit it to the Clerk of the Board. Each speaker is allowed three (3) minutes to present their comments. The Board will not remark on public comments; however, each comment will be taken into consideration by VVTA.

ACTION ITEMS

- Pg. 9 ***Item #1: Election of Chair and Vice-Chair for Calendar year 2025.***
Recommendation: Pursuant to Section 1.0024, nominate and elect a Chair and Vice Chair to fill the terms of office through December 31, 2025.
Presented by: N/A.

CONSENT CALENDAR

Consent Calendar items shall be adopted by a single vote unless removed for discussion by Board member request.

- Pg. 13 ***Item #2: Minutes from Regular Meeting of The Board of Directors Conducted November 18, 2024.***
Recommendation: Move for approval.
Presented by: None.
- Pg. 21 ***Item #3: Warrants, October and November 2024.***
Recommendation: Move for approval.
Presented by: None.

REPORTS

- Pg. 29 ***Item #4: Management Reports – Verbal Report from Chief Executive Officer.***
Recommendation: Information item only.
Presented by: Nancie Goff, CEO.
- Pg. 49 ***Item #5: Transit Operations Division, Victor Valley Detail Report.***
Recommendation: Information item only.
Presented by: VVTA Transit Operations Division Victor Valley Detail.

ACTION ITEMS

- Pg. 59 ***Item #6: Approve Amendment to San Bernardino County MOU 23-35 for the Addition of Administrative Staffing for Sheriff's Transit Unit.***
Recommendation: Approve Amendment to San Bernardino County MOU 23-35 for the addition of 1.5 FTE Administrative Support Staff Positions for the Sheriff's Transit Unit.
Presented by: Rod Goldman, Director of Operations.
- Pg. 63 ***Item #7: VVTA Annual Financial Audit Report for Fiscal Year Ending June 30, 2024, Completed by Vasquez & Company LP.***
Recommendation: Receive and File.
Presented by: Maged Azer, CFO.
- Pg. 143 ***Item #8: Contract 2020-10 Trillium Energy Services, LLC, Hydrogen Fueling Station Amendment No. 2, for \$1,213,453.33.***
Recommendation: Approve Contract 2020-10 Trillium Energy Services, LLC, Hydrogen Fueling Station Amendment No. 2, for \$1,213,453.33.
Presented by: Dustin Strandberg, CMO.

BOARD OF DIRECTORS COMMENTS

CORRESPONDENCE AND PRESS CLIPS

DATE OF NEXT MEETING

Tuesday, February 18, 2025, at 9:30 AM
At Barstow City Council Chambers
220 East Mountain View Street
Barstow, CA 92311

ADJOURNMENT

Victor Valley Transit Acronym List

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ADA	Americans with Disabilities Act
APTA	American Public Transit Association
AQMP	Air Quality Management Plan
BABA	Build America, Buy America
BAFO	Best and Final Offer
BEB	Battery Electric Bus
BOE	Board of Equalization
CALTRANS	California Department of Transportation
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CFP	Call for Projects
CIP	Capital Improvement Program
CMAQ	Congestion Mitigation and Air Quality
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CSAC	California State Association of Counties
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
CTSA	Consolidated Transportation Services Agency
DAC	Disadvantaged Communities
DBE	Disadvantaged Business Enterprise
DBELO	Disadvantaged Business Enterprise Liaison Officer
DOD	Department of Defense
DOT	Department of Transportation
E&H	Elderly and Handicapped
EEM	Environmental Enhancement and Mitigation
EIR	Environmental Impact Report
EIS	Environmental Impact Statement
EPA	United States Environmental Protection Agency
ETC	Employee Transportation Coordinator
FAST	Fixing America's Surface Transportation ACT
FCEB	Fuel Cell Electric Bus (Hydrogen)
FEIS	Final Environmental Impact Statements
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
GIMS	Geographic Information Mapping Systems
GIS	Geographic Information Systems
GPS	Global Positioning System
HOV	High-Occupancy Vehicle
HVIP	Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program.
IAS-FFA	Independent Auditors Statement for Federal Funding Allocation
IIJA	Infrastructure Investment and Jobs Act
ITS	Intelligent Transportation Systems
JPA	Joint Powers Authority
LAP	Language Assistance Plan
LCFS	Low Carbon Fuel Standard
LCTOP	Low Carbon Transit Operations Program
LD	Liquidated Damages
LEED	Leadership in Energy and Environmental Design
LEP	Limited English Proficiency

Victor Valley Transit Acronym List

Page 2 of 2

LTF	Local Transportation Fund
MaaS	Mobility-as-a-Service
MBTA	Morongo Basin Transit Authority
MDAQMD	Mojave Desert Air Quality Management District
MDT	Mobile Display Terminal
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MTP	Metropolitan Transportation Planning
MTBP	Mass Transit Benefit Program
NEPA	National Environmental Policy Act of 1969
NOFO	Notice of Funding Opportunity
NTD	National Transit Database
OCTA	Orange County Transportation Authority
OWP	Overall Work Program
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PCA	Personal Care Attendant
PTMISEA	Public Transportation Modernization Improvement and Service Enhancement Account.
POP	Program of Projects
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RTAP	Rural Technical Assistance Program
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SaaS	Software as a Service
SBCTA	San Bernardino County Transportation Authority (formerly SANBAG)
SCAG	Southern California Association of Governments
SGIP	Self-Generation Incentive Program
SOV	Single-Occupant Vehicle
SRTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TAM	Transit Asset Management
TCM	Transportation Control Measure
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEAM	Transportation Electronic Award and Management
TNC	Transportation Network Company
TOCP	Transit Operating and Capital Plan
TrAMS	Transit Award and Management System
TREP	Transportation Reimbursement Escort Program
TRIP	Transportation Reimbursement Incentive Program
TSP	Transit Signal Priority
TSSSDRA	Transit System Safety, Security and Disaster Response Account
ULEV	Ultra Low Emission Vehicle
UZAs	Urbanized Areas
VOMS	Vehicles Operated in Maximum Service
ZEB	Zero Emission Bus
ZEV	Zero Emission Vehicle

Victor Valley Transit Authority Meeting Procedures

The Ralph M. Brown Act is the state law which guarantees the public's right to attend and participate in meetings of local legislative bodies. These rules have been adopted by the Victor Valley Transit Authority (VVTa) Board of Directors in accordance with the Brown Act, Government Code 54950 et seq., and shall apply at all meetings of the (VVTa) Board of Directors.

1. **Agendas** - All agendas are posted at the VVTa Administrative offices, and the Victorville, Hesperia, Barstow and Apple Valley city/town halls at least 72 hours in advance of the meeting. Staff reports related to agenda items may be reviewed at the VVTa Administrative offices located at 17150 Smoke Tree Street, Hesperia, CA 92345.
2. **Agenda Actions** - Items listed on both the "Consent Calendar" and "Action/Discussion Items" contain suggested actions. The Board of Directors will generally consider items in the order listed on the agenda. However items may be considered in any order. New agenda items can be added and action taken by two-thirds vote of the Board of Directors.
3. **Closed Session Agenda Items** - Consideration of closed session items exclude members of the public. These items include issues related to personnel, ending litigation, labor negotiations and real estate negotiations. Prior to each closed session, the Chair will announce the subject matter of the closed session. If action is taken in closed session, the Chair may report the action to the public at the conclusion of the closed session.
4. **Public Testimony on an Item** - Members of the public are afforded an opportunity to comment on any listed item. Individuals wishing to address the Board of Directors should complete a "Request to Speak" form. A form must be completed for each item an individual wishes to speak on. When recognized by the Chair, speakers should be prepared to step forward and announce their name and address for the record. In the interest of facilitating the business of the Board, speakers are limited to three (3) minutes on each item. Additionally, a twelve (12) minute limitation is established for the total amount of time any one individual may address the Board at any one meeting. The Chair or a majority of the Board may establish a different time limit as appropriate, and parties to agenda items shall not be subject to the time limitations. If there is a Consent Calendar, it is considered a single item; thus the three (3) minute rule applies. Consent Calendar items can be pulled at Board member request and will be brought up individually at the specified time in the agenda allowing further public comment on those items.
5. **Public Comment** - At the beginning of the agenda an opportunity is also provided for members of the public to speak on any subject within VVTa's authority. Matters raised under "Public Comment" may not be acted upon at that meeting. The time limits established in Rule #4 still apply.
6. **Disruptive Conduct** - If any meeting of the Board is willfully disrupted by a person or by a group of persons so as to render the orderly conduct of the meeting impossible, the Chair may recess the meeting or order the person, group or groups of persons willfully disrupting the meeting to leave the meeting or to be removed from the meeting. Disruptive conduct includes addressing the Board without first being recognized, not addressing the subject before the Board, repetitiously addressing the same subject, failing to relinquish the podium when requested to do so, or otherwise preventing the Board from conducting its meeting in an orderly manner.

Please be aware that a NO SMOKING policy has been established for VVTa meetings. Your cooperation is appreciated!

VICTOR VALLEY TRANSIT AUTHORITY

MISSION STATEMENT

**Our mission is to serve the
community with excellent
public transportation
services in terms of quality,
efficiency, and
responsiveness.**

Quality

To increase ridership and community support by exceeding expectations.

Efficiency

To maintain an efficient operation that represents a highly-valued service.

Responsiveness

To provide services and facilities which are responsive to the needs of the community.

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**AGENDA ITEM
ONE**

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VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

Election of Chair and Vice Chair.

SUMMARY STATEMENT

The process for election of a Chair and Vice Chair are outlined in the VVTA Administrative Rules and Guidelines, Section 1.0024 below:

1.0024 CHAIR; ELECTION AND TERM; DUTIES GENERALLY. The Chair shall be elected by the Board. He/she shall be elected to such office for a term of one (1) year. No Board Director may hold the office of Chair for more than two (2) successive terms of one (1) year each. The election for Chair shall be held at the meeting which occurs in January. Pursuant to Administrative Guidelines, the Chair and Vice-Chair are selected at the January meeting to serve a one (1) year term. The Chair may only serve two (2) consecutive one (1) year terms.

Chair Noble has served one term and Vice-Chair Becerra has now served one term. Therefore, each is eligible to be re-elected for another term.

RECOMMENDED ACTION

Pursuant to Section 1.0024, nominate and elect a Chair and Vice Chair to fill the terms of office and select Personnel Committee.

PRESENTED BY
Nancie Goff,
CEO

FISCAL IMPACT

None

MEETING DATE

January 21, 2025

ITEM NUMBER

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AGENDA ITEM TWO

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VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

Minutes from the Regular Meeting of the Board of Directors Conducted on October 21, 2024.

SUMMARY STATEMENT

The following are copies of the minutes from the Regular Meeting of the Board of Directors conducted on January 21, 2025.

RECOMMENDED ACTION

Move for approval.

PRESENTED BY
Debi Albin,
Clerk of the Board

FISCAL IMPACT

N/A

MEETING DATE

January 21, 2025

ITEM NUMBER

2

**VICTOR VALLEY TRANSIT
REGULAR MEETING OF THE
BOARD OF DIRECTORS**

November 18, 2024

CALL TO ORDER

The Regular Meeting of the Board of Directors of the Victor Valley Transit Authority was called to order at 9:31 a.m. by Chair Noble.

ROLL CALL

Board Members Present: Chair James Noble
Vice Chair Liz Becerra (10:12 am)
Alternate Director Sam Shoup
Alternate-Director Kim Mesen
Director Larry Bird
Director Joy Jeannette
Director Curt Emick

Staff Members Present:

Sgt. Simon Demuri, SBCOSD	Lt. Mike New, SBCOSD
Deputy Trevor James, SBCOSD	Juan Robinson, City of Victorville
Adam Ebright, County Counsel	Amanda Uptergrove, City of Adelanto
Megan Christian, VVTA	Sylvia Harris, VVTA
Nancie Goff, VVTA	Rod Goldman, VVTA
Debi Albin, VVTA	Dustin Strandberg, VVTA
Maged Azer, VVTA	Christine Plasting, VVTA
Craig Barnes, VVTA	Jeff Guidry, Keolis
Jonathan McDowell, Keolis	Chris Ackerman, VVTA
Lisa Arellano, Keolis	Byron Barrientos, VVTA
Tisha Lopez, VVTA	Angelina Calderone, Keolis
Brandon Johnson, VVTA	Bryan Torres Ayala, VVTA

PLEDGE OF ALLEGIANCE

Chair Noble led the audience in the pledge of allegiance.

ANNOUNCEMENTS

Ms. Goff shared that later in the meeting, at the end of the agenda, the Board should consider going dark in December as there are no actionable items at this time.

Ms. Albin has a hard copy of the Comprehensive Operation Analysis; if you would like one, please let her know, otherwise it is available on VVTA's website.

VVTA is proud to announce two employees of the month, Ms. Goff shared. Mr. Daniel Rosado is a driver in Barstow. Mr. Rosado has no accidents on his record and provides the passengers with excellent customer service. Mr. Rosado is also very reliable and always willing to pitch in to help.

Secondly, Ms. Goff said, is Ms. Monica Diaz, a Barstow dispatcher who is always willing to work extra hours for whatever management needs her to do. This October was a very busy month due to the new routes in Barstow, yet Ms. Diaz found time to decorate the driver's room and a bus for a Halloween event at City Hall.

Ms. Goff stated that she has two (2) presentations for Board members that are vacating their seats at the end of this year.

Director Larry Bird has been a dedicated member of VVTA's Board of Directors since 2017 and will be retiring at the end of the year. His commitment to VVTA has extended beyond this role, benefiting students, parents, and the community. Larry's presence will be greatly missed by all of us at VVTA.

Director Joy Jeannette's dedication to public transportation has been truly unparalleled. From attending numerous conferences across the country to spearheading initiatives like the Senior Kicks Club in Adelanto through VVTA's brokerage program. Joy has championed public transportation since joining VVTA's Board of Directors in 2019.

Ms. Goff expressed a personal thank you to both Board Members.

PUBLIC COMMENTS

Speaker: Itzel Orduz, Barstow

Ms. Orduz said that the new stop on Agarita has left her feeling less safe than before. She also said that she often sees random people hanging around her home; she would like the bus to not travel on Agarita.

Speaker: Ray Valles, Barstow

Mr. Valles stated that he lives on a corner lot where a bus stop was installed and within 1 week it had been run over. He also stated that the noise from the bus is disturbing all day and all night.

Speaker: Edy Seehafer, Barstow

Ms. Seehafer announced that she would be stepping down as VVTA's transit ambassador in Barstow.

Speaker: Mary Abeta, Barstow

Ms. Abeta stated that the current route on Agarita blocks traffic, is dangerous and far too noisy.

Speaker: Jessica Ramirez, Barstow

Ms. Ramirez said that the new route on Agarita is too noisy and does not feel that any outreach was done by VVTA before routing a bus along that street. Ms. Ramirez also said that this route negatively impacts the neighborhood and would like to see the stop moved. Ms. Ramirez also submitted a letter to the Clerk of the Board.

CONSENT CALENDAR

1. **Minutes from the Regular Meeting of the Board of Directors Conducted on August 16, 2024.**
Recommendation: Move for approval.
Presented by: None.
2. **Warrants, August 2024.**
Recommendation: Move for approval.
Presented by: None.
3. **Calendar of Meetings, 2025.**
Recommendation: Move for approval.
Presented by: None.

A MOTION WAS MADE BY Director Bird to approve the Consent Calendar. Seconded by Director Jeannette. The motion passed unanimously.

REPORTS

4. **Management Reports for Hesperia and Barstow Divisions – Verbal Report from Chief Executive Officer.**
Recommendation: Information item only.
Presented by: Nancie Goff, CEO.

Ms. Goff went over a short spread sheet that has been distributed to the Board regarding ridership, year over year. Ridership is steadily moving in an upward trend with Barstow fixed routes increasing by 18%, Barstow County routes by 50%, Hesperia fixed routes by 20%, County routes by 5% and Intercity by 17%. Ms. Goff addressed commuter service to Fort Irwin stating that the ridership remains flat or is declining.

5. **Transit Operations Division, Victor Valley Detail Report Verbal Report.**
Recommendation: Information item only.
Presented by: VVTA, Transit Operations Division Unit.

Sgt. DeMuri shared that there were 750 public contacts, 87 calls for service, 19 reports taken, 10 bus patrols and 10 arrests. Sgt. DeMuri said that there were no significant events to report.

ACTION ITEMS

6. **Update VVTA Employee Handbook.**

Recommendation: Approve Update of the VVTA Employee Handbook.

Presented by: Maged Azer, CFO.

Mr. Azer said that the employee handbook is being updated to ensure compliance with federal and state labor regulations. Regular updates to the handbook help VVTA remain aligned with current legal standards and best practices in employer-employee relations. A few of the major updates are the Telework Hybrid Policy, increase life insurance to \$100,000 and implement the Board approved employer paid share of health insurance to \$2,000.

A MOTION WAS MADE BY Director Jeannette to approve the recommended action. Seconded by Director Bird. The motion passed unanimously.

BOARD COMMENTS

Chair Noble announced that the regularly scheduled Board meeting on December 16, 2024, will be dark due to a lack of actionable items.

Director Jeannette said that she will miss everyone, and it has been a privilege to be a part of VVTA.

Director Bird stated that VVTA does great things and he has learned a great deal about how important public transit is for the community.

The Board offered the outgoing Directors thanks for their support; they also wished happy holidays to VVTA.

DATE OF NEXT MEETING

The next Board meeting will be on Tuesday, January 21, 2025, at 9:30 am at Victor Valley Transit Authority, 17150 Smoke Tree Street, Hesperia, CA 92345.

ADJOURNMENT

The meeting was adjourned at 10:35 am.

APPROVED: _____
James Noble, Chair

ATTEST: _____
Debi Albin, Clerk of the Board

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**AGENDA ITEM
THREE**

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VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

Payrolls and warrants for October 2024.

SUMMARY STATEMENT

The following registers of Payrolls and Warrants have been audited as required by Section 37202 and 37208 of the Government code, and said documents are accurate and correct.

Agency's Gross Payroll for Administrative Employees

<u>Payroll</u> <u>Date</u>	<u>Amount</u>	<u>Register#</u>
10/04/24	\$133,765.29	PR-10-31-24
10/18/24	\$135,050.08	PR-10/31/24
Total Payroll	\$ 268,815.37	

Agency's Register of Warrants

<u>Register</u> <u>Date</u>	<u>Amount</u>	<u>Check #</u>	<u>Register #</u>
10/09/2024	\$3,515,078.96	1333-1363	AP-10-2024
10/17/2024	\$230,377.51	1366-1393	AP-10-2024
10/30/2024	\$3,214,861.85	1394- ACH#139	AP-10-2024
	\$6,960,318.32		

RECOMMENDED ACTION

Approve VVTA's expenditures for October 2024.

PRESENTED BY Maged Azer CFO	FISCAL IMPACT \$7,229,133.69	MEETING DATE January 21, 2025	ITEM NUMBER 3
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**Victor Valley Transit Authority
October 1, 2024 - October 31, 2024**

Document Number	Vendor	Date	Amount
00000128/1	Elizabeth Becerra	10/7/2024	\$200.00
00000128/2	Curt Emick	10/7/2024	\$200.00
00000128/3	Joy Jeannette	10/7/2024	\$200.00
00000128/4	Kimberly Mesen	10/7/2024	\$200.00
00000128/5	James Noble	10/7/2024	\$200.00
00000129/1	SYNC	10/7/2024	\$897.50
00000129/2	SYNC	10/7/2024	\$731.50
00000130/1	SBC-Sheriff	10/7/2024	\$165,480.00
00000131/1	SBC-Sheriff	10/7/2024	\$165,475.00
1333	ADA RIDE	10/7/2024	\$5,019.00
1334	AVCOM	10/7/2024	\$562.13
1335	BCI Imaging Supplies	10/7/2024	\$3,966.99
1336	BECKOIL	10/7/2024	\$282.28
1337	CDW CDW Government Inc	10/7/2024	\$23,645.52
1338	City of Victorville - ADM (Lease)	10/7/2024	\$40,709.00
1339	CLEAN	10/7/2024	\$6,725.94
1340	DIGI	10/7/2024	\$531.00
1341	Edison - BEB-BAT	10/7/2024	\$7,507.34
1342	FRONTIERBAT	10/7/2024	\$197.98
1343	Golden State Water Company ADM	10/7/2024	\$263.17
1344	Golden State Water Company CNG	10/7/2024	\$441.34
1345	Golden State Water Company FP	10/7/2024	\$43.26
1346	Golden State Water Company SPRNK1	10/7/2024	\$324.85
1347	Golden State Water Company SPRNK2	10/7/2024	\$312.50
1348	HIDESERTCOM HI-Desert Communications	10/7/2024	\$1,308.00
1349	INTER	10/7/2024	\$45,850.94
1350	KONICA	10/7/2024	\$1,035.94
1351	MEEC	10/7/2024	\$495.00
1352	PACIFIC	10/7/2024	\$12,620.76
1353	PINN	10/7/2024	\$28,683.85
1354	PLIC Principal Life Insurance Company	10/7/2024	\$2,940.53
1355	RING	10/7/2024	\$2,542.24
1356	RMSCONSTRUCTION	10/7/2024	\$7,362.50
1357	SAFEWAY	10/7/2024	\$9,685.38
1358	SHRED	10/7/2024	\$90.00
1359	Sonic Systems, Inc.	10/7/2024	\$10,091.84
1360	Verizon Lines	10/7/2024	\$7,919.00
1361	VERIZONCONNECT	10/7/2024	\$1,119.82
1362	VVC District Foundation	10/7/2024	\$1,000.00
1363	WESTERNAUDIO	10/7/2024	\$2,253.93
00000132/1	Keolis	10/9/2024	\$2,273,606.44
00000133/1	Keolis	10/9/2024	\$682,356.49
1366	Amazon Business	10/17/2024	\$895.25
1367	CALSTART	10/17/2024	\$4,950.00

1368	Charter - ADMIN	10/17/2024	\$150.51
1369	Charter - BU	10/17/2024	\$1,099.00
1370	Charter - CNG	10/17/2024	\$166.16
1371	Charter - DSTFIBER	10/17/2024	\$749.00
1372	Charter - FIBER	10/17/2024	\$1,649.00
1373	Charter - FIBERBAT	10/17/2024	\$820.00
1374	Charter - SEC	10/17/2024	\$329.98
1375	Charter - TV	10/17/2024	\$217.94
1376	Charter - WEB	10/17/2024	\$269.98
1377	CLEAN	10/17/2024	\$12,842.99
1378	Diamond Environmental Services	10/17/2024	\$813.11
1379	EDISON - ADM	10/17/2024	\$20,269.46
1380	Edison - D St. Unit 4	10/17/2024	\$147.00
1381	INTER	10/17/2024	\$41,718.10
1382	KONICA	10/17/2024	\$2,254.22
1383	LOOMIS	10/17/2024	\$962.49
1384	SanBernLegal San Bernardino County - LE	10/17/2024	\$871.25
1385	STATEFUND State Compensation Insuranc	10/17/2024	\$2,423.50
1386	SWG-ADM	10/17/2024	\$1,025.20
1387	SWG-MAINT	10/17/2024	\$425.98
1388	SWG-WASH	10/17/2024	\$159.11
1389	UNIFIED DLLC Unified Dispatch LLC	10/17/2024	\$2,400.00
1390	ZEBRA Zebra	10/17/2024	\$3,500.00
1391	BECKOIL	10/17/2024	\$6,207.27
1392	EDISON - BEB	10/17/2024	\$8,614.98
1393	SWG-CNG	10/17/2024	\$114,446.03
1394	AECOM	10/24/2024	\$18,875.28
1395	Blinds Express, Inc.	10/24/2024	\$650.65
1396	BONNIE	10/24/2024	\$1,393.33
1397	CITY OF BARSTOW - Utility Billing	10/24/2024	\$415.15
1398	City Of Victorville - Trash/Water	10/24/2024	\$682.26
1399	CLEAN	10/24/2024	\$7,218.28
1400	EDISON - BAT	10/24/2024	\$4,160.46
1401	Edison - BEB-BAT	10/24/2024	\$6,643.23
1402	EDISON - CNGBAT	10/24/2024	\$8,161.77
1403	Evergreen Solutions, LLC	10/24/2024	\$8,118.00
1404	FRONTIER2	10/24/2024	\$79.74
1405	Golden State Water Company ADM	10/24/2024	\$281.67
1406	Golden State Water Company CNG	10/24/2024	\$268.65
1407	Golden State Water Company FP	10/24/2024	\$43.26
1408	Golden State Water Company SPRNK1	10/24/2024	\$331.01
1409	Golden State Water Company SPRNK2	10/24/2024	\$306.35
1410	GRIMCO	10/24/2024	\$2,311.99
1411	Lawrence Bird	10/24/2024	\$200.00
1412	SDRMA	10/24/2024	\$3,637.19
1413	SWG-DST	10/24/2024	\$11.00
1414	SWGAs-BAT	10/24/2024	\$16.16
1415	TMD Transportation Management & Design	10/24/2024	\$10,555.37
00000135/1	ABUNDANT	10/29/2024	\$3,120.00

00000135/2	ORACLE	10/29/2024	\$3,937.50
00000135/3	ORACLE	10/29/2024	\$14,788.26
00000135/4	Samuel Shoup	10/29/2024	\$200.00
00000135/5	TRANSTRACK	10/29/2024	\$7,000.00
00000135/6	TYPESETGO	10/29/2024	\$51.72
00000135/7	TYPESETGO	10/29/2024	\$60.34
00000137/1	Model 1 Commercial Vehicles, Inc.	10/30/2024	\$151,043.64
00000137/2	Model 1 Commercial Vehicles, Inc.	10/30/2024	\$151,043.64
00000136/1	Curt Emick	10/30/2024	\$200.00
00000136/2	James Noble	10/30/2024	\$200.00
00000136/3	Joy Jeannette	10/30/2024	\$200.00
00000136/4	Kimberly Mesen	10/30/2024	\$200.00
00000138/1	Keolis	10/31/2024	\$2,156,422.03
00000139/1	Keolis	10/31/2024	\$652,033.92
Total			\$6,960,318.32

VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

Payrolls and warrants for November 2024.

SUMMARY STATEMENT

The following registers of Payrolls and Warrants have been audited as required by Section 37202 and 37208 of the Government code, and said documents are accurate and correct.

Agency's Gross Payroll for Administrative Employees

<u>Payroll Date</u>	<u>Amount</u>	<u>Register#</u>
11/01/2024	\$134,386.70	PR-11-30-24
11/15/2024	\$134,357.40	PR-11-30-24
11/29/2024	\$134,750.00	PR-11-30-24
Total Payroll	\$ 403,494.10	

Agency's Register of Warrants

<u>Register Date</u>	<u>Amount</u>	<u>Check #</u>	<u>Register #</u>
11/07/2024	\$382,943.19	1416-1426	AP-11-2024
11/13/2024	\$138,076.56	1431-1449	AP-11-2024
11/18/2024	\$119,087.12	1450-1460	AP-11-2024
11/25/2024	\$18,037.70	1461-1466	AP-11-2024
	\$658,144.57		

RECOMMENDED ACTION

Approve VVTA's expenditures for November 2024.

PRESENTED BY Maged Azer CFO	FISCAL IMPACT \$1,061,638.67	MEETING DATE January 21, 2025	ITEM NUMBER 3
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**Victor Valley Transit Authority
November 1, 2024 -November 30, 2024**

1416	AVR AVR Vanpool	11/4/2024	\$4,163.00
1417	Capitol GCS	11/4/2024	\$4,050.00
1418	City Of Hesperia Water District	11/4/2024	\$3,977.23
1419	FRONTIERBAT	11/4/2024	\$199.16
1420	KONICA	11/4/2024	\$1,335.43
1421	PLIC Principal Life Insurance Company	11/4/2024	\$3,135.13
1422	Sylvia Harris	11/4/2024	\$161.09
1423	West Coast Fleet Services, Inc.	11/4/2024	\$95.00
1424	COMMUTE Commute With Enterprise	11/4/2024	\$123,425.00
1425	CLEAN	11/4/2024	\$13,541.66
1426	Edison - CNG	11/4/2024	\$30,396.06
00000141/1	SBC-Sheriff	11/7/2024	\$165,475.00
00000140/1	Georgia Carpet Industries	11/7/2024	\$32,150.13
00000140/2	SYNC	11/7/2024	\$839.30
1431	AECOM	11/13/2024	\$17,509.64
1432	Allied Universal Security Services	11/13/2024	\$31,841.12
1433	CDW CDW Government Inc	11/13/2024	\$1,197.03
1434	EDISON - ADM	11/13/2024	\$10,822.33
1435	EDISON - BEB	11/13/2024	\$9,157.08
1436	Edison - BEB-BAT	11/13/2024	\$6,217.37
1437	Edison - CNG	11/13/2024	\$17,558.95
1438	Edison - D St. Unit 4	11/13/2024	\$203.70
1439	HIDESERTCOM HI-Desert Communications	11/13/2024	\$1,308.00
1440	LABORFNDRS	11/13/2024	\$156.54
1441	PATTERSON	11/13/2024	\$30.17
1442	RING	11/13/2024	\$2,560.48
1443	Sonic Systems, Inc.	11/13/2024	\$8,950.00
1444	STATEFUND State Compensation Insurance Fund	11/13/2024	\$2,423.50
1445	SWG-ADM	11/13/2024	\$936.03
1446	SWG-MAINT	11/13/2024	\$653.79
1447	SWG-WASH	11/13/2024	\$227.42
1448	TRITON	11/13/2024	\$3,400.12
1449	VERIZONCONNECT	11/13/2024	\$1,119.82
00000142/1	Keolis	11/15/2024	\$18,000.00
00000142/2	Keolis	11/15/2024	\$3,803.47
1450	Charter - ADMIN	11/18/2024	\$96.76
1451	Charter - BU	11/18/2024	\$1,099.00
1452	Charter - CNG	11/18/2024	\$166.16
1453	Charter - DSTFIBER	11/18/2024	\$749.00
1454	Charter - FIBER	11/18/2024	\$1,649.00
1455	Charter - FIBERBAT	11/18/2024	\$820.00
1456	Charter - SEC	11/18/2024	\$329.98
1457	Charter - TV	11/18/2024	\$217.94
1458	Charter - WEB	11/18/2024	\$269.98
1459	FOOT	11/18/2024	\$1,880.00
1460	SWG-CNG	11/18/2024	\$111,809.30
1461	CITY OF BARSTOW - Utility Billing	11/25/2024	\$415.15
1462	City Of Victorville - Trash/Water	11/25/2024	\$694.61
1463	EDISON - CNGBAT	11/25/2024	\$5,800.08
1464	LABORFNDRS	11/25/2024	\$5,635.44
1465	SDRMA	11/25/2024	\$3,585.04
1466	The Aftermarket Parts Company, LLC DBA NFI Parts	11/25/2024	\$1,907.38
Total			\$658,144.57

**AGENDA ITEM
FOUR**

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VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

Management reports.

SUMMARY STATEMENT

The attached Performance Reports are presented to the Board of Directors to provide an overview of the transit system's costs and performance.

- Keolis invoices for October and November 2024.
- Monthly Performance Statistics Systemwide Summary.
- Monthly Ridership Report.
- Monthly ADA Denial Report.
- Monthly Road Call Report.
- Keolis On Time Performance Report.

RECOMMENDED ACTION

Information items only.

PRESENTED BY
Nancie Goff,
CEO

FISCAL IMPACT
N/A

MEETING DATE
January 21, 2025

ITEM NUMBER
4



Keolis Transit Services

17150 Smoke Tree St.
Hesperia Calif. 92345

INVOICE NO. 0060257-IN

BILL TO Victor Valley Transit Authority
17150 Smoke Tree St.
Hesperia, CA 92345

DATE 11/18/2024

CONTRACT NAME:
Victor Valley Transit

Attention: Mrs. Nancie Goff
Chief Executive Officer

MONTH October 2024

BILLING PERIOD 10/01/2024 - 10/31/2024

	Budgeted Revenue hours	Actual Revenue hours	Variance in Missed Service	Budgeted Revenue Hour Expense	Actual Revenue Hour Expense	Allocated Fixed Cost	Variance (+ or -)	Budgeted Expense Year-to-date	Actual Expense Year-to-date	Variance (+ or -) Year-to-date
ADA ParaTransit	3,606.90	3,370.43		\$315,711.96	\$295,013.38	\$154,912.53	(\$20,698.58)	\$1,232,291.11	\$1,021,650.67	(\$210,640.43)
Subscription	1,046.50	857.05		\$91,600.15	\$75,017.59	\$39,391.99	(\$16,582.56)	\$346,487.51	\$335,477.11	(\$11,010.40)
Microlink	1,387.50	780.44		\$121,447.88	\$68,311.66	\$35,870.69	(\$53,136.21)	\$361,157.53	\$212,625.00	(\$148,532.53)
Regional Fixed Rt	12,631.40	11,883.09	(59.40)	\$1,090,342.45	\$1,025,748.33	\$538,623.94	(\$64,594.12)	\$3,859,367.21	\$3,788,935.27	(\$70,431.94)
Route 15	784.90	722.56	(5.63)	\$67,752.57	\$62,371.38	\$32,751.42	(\$5,381.19)	\$261,221.59	\$247,769.47	(\$13,452.12)
Fort Irwin	528.10	525.24	(3.60)	\$43,531.28	\$43,295.53	\$22,734.63	(\$235.75)	\$164,653.93	\$164,085.98	(\$567.94)
SUBTOTALS	\$19,985.30	\$18,138.80	-\$68.63	\$1,730,386.28	\$1,569,757.87	\$824,285.20	-\$160,628.41	\$6,225,178.87	\$5,770,543.51	-\$454,635.36

TOTAL INVOICE

\$2,394,043.06

Please REMIT TO:
Keolis Transit Services, LLC
53 State Street, 11th Floor
Boston, MA 02109
ARDent@keolisna.com

Manager's Signature and Business Phone



INVOICE NO. 0060258-IN

Keolis Transit Services17150 Smoke Tree St.
Hesperia Calif. 92345

BILL TO

Victor Valley Transit Authority
17150 Smoke Tree St.
Hesperia, CA 92345

DATE

11/18/2024

CONTRACT NAME:
Victor Valley TransitAttention: Mrs. Nancie Goff
Chief Executive Officer

MONTH

October 2024

BILLING PERIOD 10/01/2024 - 10/31/2024

	Budgeted Revenue hours	Actual Revenue hours	Variance in Missed Service	Budgeted Revenue Hour Expense	Actual Revenue Hour Expense	Allocated Fixed Cost	Variance (+ or -)	Budgeted Expense Year-to-date	Actual Expense Year-to-date	Variance (+ or -) Year-to-date
County	1,747.00	1,706.09	-	\$150,801.04	\$147,269.69	77,331.81	(\$3,531.35)	\$639,346.35	\$634,818.86	(\$4,527.49)
Barstow-Fixed Route	2,138.20	2,112.33	-	\$184,569.42	\$182,336.33	95,745.42	(\$2,233.10)	\$662,074.40	\$659,803.32	(\$2,271.09)
Barstow-County	1,131.20	1,118.16	(5.48)	\$97,645.18	\$96,519.57	50,682.76	(\$1,125.61)	\$294,351.20	\$293,223.00	(\$1,128.20)
Barstow-DAR	443.10	440.52		\$38,784.54	\$38,558.41	20,247.15	(\$226.14)	\$151,383.14	\$138,954.44	(\$12,428.71)
SUBTOTALS	5,459.50	5,377.10	(5.48)	\$471,800.19	\$464,683.99	244,007.14	-\$7,116.20	\$1,747,155.10	\$1,726,799.61	-\$20,355.48

TOTAL INVOICE

\$708,691.13

Please REMIT TO:Keolis Transit Services, LLC
53 State Street, 11th Floor
Boston, MA 02109
ARDept@keolisna.com

Manager's Signature and Business Phone



Keolis Transit Services

17150 Smoke Tree St.
Hesperia Calif. 92345

INVOICE NO. 0060259-IN

BILL TO

Victor Valley Transit Authority
17150 Smoke Tree St.
Hesperia, CA 92345

DATE

12/6/2024

CONTRACT NAME:
Victor Valley Transit

Attention: Mrs. Nancie Goff
Chief Executive Officer

MONTH November 2024

BILLING PERIOD 11/01/2024 - 11/30/2024

	Budgeted Revenue hours	Actual Revenue hours	Variance in Missed Service	Budgeted Revenue Hour Expense	Actual Revenue Hour Expense	Allocated Fixed Cost	Variance (+ or -)	Budgeted Expense Year-to-date	Actual Expense Year-to-date	Variance (+ or -) Year-to-date
ADA ParaTransit	3,374.20	2,897.48		\$295,343.73	\$253,616.20	\$136,745.92	(\$41,727.53)	\$1,527,634.84	\$1,275,266.87	(\$252,367.96)
Subscription	909.96	1,390.03		\$79,648.80	\$121,669.06	\$65,602.07	\$42,020.27	\$426,136.31	\$457,146.17	\$31,009.86
Microlink	1,280.37	1,327.34		\$112,070.79	\$116,182.09	\$62,643.58	\$4,111.30	\$473,228.32	\$328,807.09	(\$144,421.23)
Regional Fixed Rt	11,804.54	10,966.27	(113.80)	\$1,018,967.89	\$946,608.43	\$510,396.56	(\$72,359.47)	\$4,878,335.10	\$4,735,543.70	(\$142,791.40)
Route 15	718.82	660.30	(3.24)	\$62,048.54	\$56,997.10	\$30,731.95	(\$5,051.45)	\$323,270.13	\$304,766.57	(\$18,503.56)
Fort Irwin	459.20	460.00	-	\$37,851.86	\$37,917.80	\$20,444.69	\$65.94	\$202,505.79	\$202,003.78	(\$502.00)
SUBTOTALS	\$18,547.09	\$17,701.41	-\$117.04	\$1,605,931.60	\$1,532,990.68	\$826,564.77	-\$72,940.93	\$7,831,110.48	\$7,303,534.19	-\$527,576.29

TOTAL INVOICE

\$2,359,555.44

Please REMIT TO:
Keolis Transit Services, LLC
53 State Street, 11th Floor
Boston, MA 02109
ARDept@keolisna.com

Manager's Signature and Business Phone



INVOICE NO. 0060260-IN

Keolis Transit Services

17150 Smoke Tree St.
Hesperia Calif. 92345

BILL TO

Victor Valley Transit Authority
17150 Smoke Tree St.
Hesperia, CA 92345

DATE

12/6/2024

CONTRACT NAME:
Victor Valley Transit

Attention: Mrs. Nancie Goff
Chief Executive Officer

MONTH November 2024 BILLING PERIOD 11/01/2024 - 11/30/2024

	Budgeted Revenue hours	Actual Revenue hours	Variance in Missed Service	Budgeted Revenue Hour Expense	Actual Revenue Hour Expense	Allocated Fixed Cost	Variance (+ or -)	Budgeted Expense Year-to-date	Actual Expense Year-to-date	Variance (+ or -) Year-to-date
County	1,576.39	1,521.08	(10.60)	\$136,073.98	\$131,299.63	70,794.72	(\$4,774.36)	\$488,545.31	\$487,549.17	(\$996.14)
Barstow-Fixed Route	2,025.00	1,995.16	(1.02)	\$174,798.00	\$172,222.21	92,859.54	(\$2,575.79)	\$477,504.98	\$477,466.99	(\$38.00)
Barstow-County	1,093.45	1,083.62	-	\$94,386.60	\$93,538.08	50,434.28	(\$848.53)	\$196,706.02	\$196,703.43	(\$2.59)
Barstow-DAR	414.50	585.64		\$36,281.19	\$51,260.81	27,639.03	\$14,979.62	\$112,598.59	\$100,396.04	(\$12,202.56)
SUBTOTALS	5,109.34	5,185.50	(11.62)	\$441,539.77	\$448,320.72	241,727.57	\$6,780.95	\$1,275,354.91	\$1,262,115.62	-\$13,239.28

TOTAL INVOICE \$690,048.29

Please REMIT TO:
Keolis Transit Services, LLC
53 State Street, 11th Floor
Boston, MA 02109
ARDept@keolisna.com

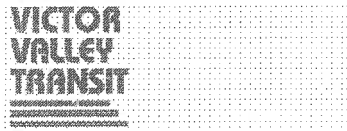
Manager's Signature and Business Phone



FY 2025 -- Monthly Performance Statistics by Mode
Systemwide Summary
All Routes

Performance Statistics for October

Mode	Passengers	Revenue Hours	Operating Costs	Passenger Revenue	Passengers Per Rev. Hour	Operating Cost Per Passenger	Operating Cost Per Rev. Hour	Passenger Revenue Per Passenger	Passenger Revenue Per Rev. Hour	Farebox Recovery Ratio
Bus (Motorbus)	103,081	17,525.1	\$3,077,995	\$113,613	5.9	\$29.86	\$175.63	\$1.10	\$6.48	3.69%
Commuter Bus	2,940	524.6	\$107,862	\$28,337	5.6	\$36.69	\$205.62	\$9.64	\$54.02	26.27%
Demand Response	12,372	5,632.7	\$903,601	\$79,284	2.2	\$73.04	\$160.42	\$6.41	\$14.08	8.77%
System Total	118,393	23,682.4	\$4,089,458	\$221,233	5.0	\$34.54	\$172.68	\$1.87	\$9.34	5.41%



Monthly Ridership Report

October, FY 2025

Bus (Motorbus), Commuter Bus, Demand Response Only

Total (All Day Types)

Mode	Passengers		Passengers Per Revenue Hour		Farebox Recovery Ratio	
	Prior Year	Current Year	Prior Year	Current Year	Prior Year	Current Year
Bus (Motorbus)	113,102	103,081	6.9	5.8	1.52%	3.69%
Commuter Bus	3,417	2,940	6.7	5.6	7.73%	26.27%
Demand Response	13,946	12,372	2.5	2.2	5.07%	8.77%
System Total	130,465	118,393	5.8	5.0	2.53%	5.41%



FY 2025 -- Monthly Performance Statistics by Mode
Systemwide Summary
All Routes

Performance Statistics for November

Mode	Passengers	Revenue Hours	Operating Costs	Passenger Revenue	Passengers Per Rev. Hour	Operating Cost Per Passenger	Operating Cost Per Rev. Hour	Passenger Revenue Per Passenger	Passenger Revenue Per Rev. Hour	Farebox Recovery Ratio
Bus (Motorbus)	86,605	16,179.5	\$2,841,917	\$42,536	5.4	\$32.81	\$175.65	\$0.49	\$2.63	1.50%
Commuter Bus	2,282	460.0	\$94,224	\$28,308	5.0	\$41.29	\$204.83	\$12.40	\$61.54	30.04%
Demand Response	9,982	6,319.7	\$1,018,447	\$5,652	1.6	\$102.03	\$161.15	\$0.57	\$0.89	0.55%
System Total	98,869	22,959.3	\$3,954,588	\$76,496	4.3	\$40.00	\$172.24	\$0.77	\$3.33	1.93%



Monthly Ridership Report

November, FY 2025

Bus (Motorbus), Commuter Bus, Demand Response Only

Total (All Day Types)

Mode	Passengers		Passengers Per Revenue Hour		Farebox Recovery Ratio	
	Prior Year	Current Year	Prior Year	Current Year	Prior Year	Current Year
Bus (Motorbus)	86,589	86,605	5.6	5.3	7.07%	1.50%
Commuter Bus	2,787	2,282	5.8	4.9	26.78%	30.04%
Demand Response	11,744	9,982	2.4	1.5	4.57%	0.55%
System Total	101,120	98,869	4.8	4.3	7.24%	1.93%

ADA Dispatch Denial Report For the Month of October 2024

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ADA Dispatch Denial Report For the Month of November 2024

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October
Major and Non-Major
Miles Between Road Calls

Total Miles	FY 2024	FY 2025
Demand Response	71,048	65,088
Commuter Bus	19,392	20,356
Motor Bus	292,706	308,276
Total Miles	383,146	393,720

Total Road Calls	FY 2024	FY 2025
Demand Response	3	2
Commuter Bus	3	3
Motor Bus	28	36
Total Road Calls	34	41

Miles Between Road Calls	FY 2023	FY 2025
Demand Response	23,683	32,544
Commuter Bus	6,464	6,785
Motor Bus	10,454	8,563
Total System	40,600	47,893

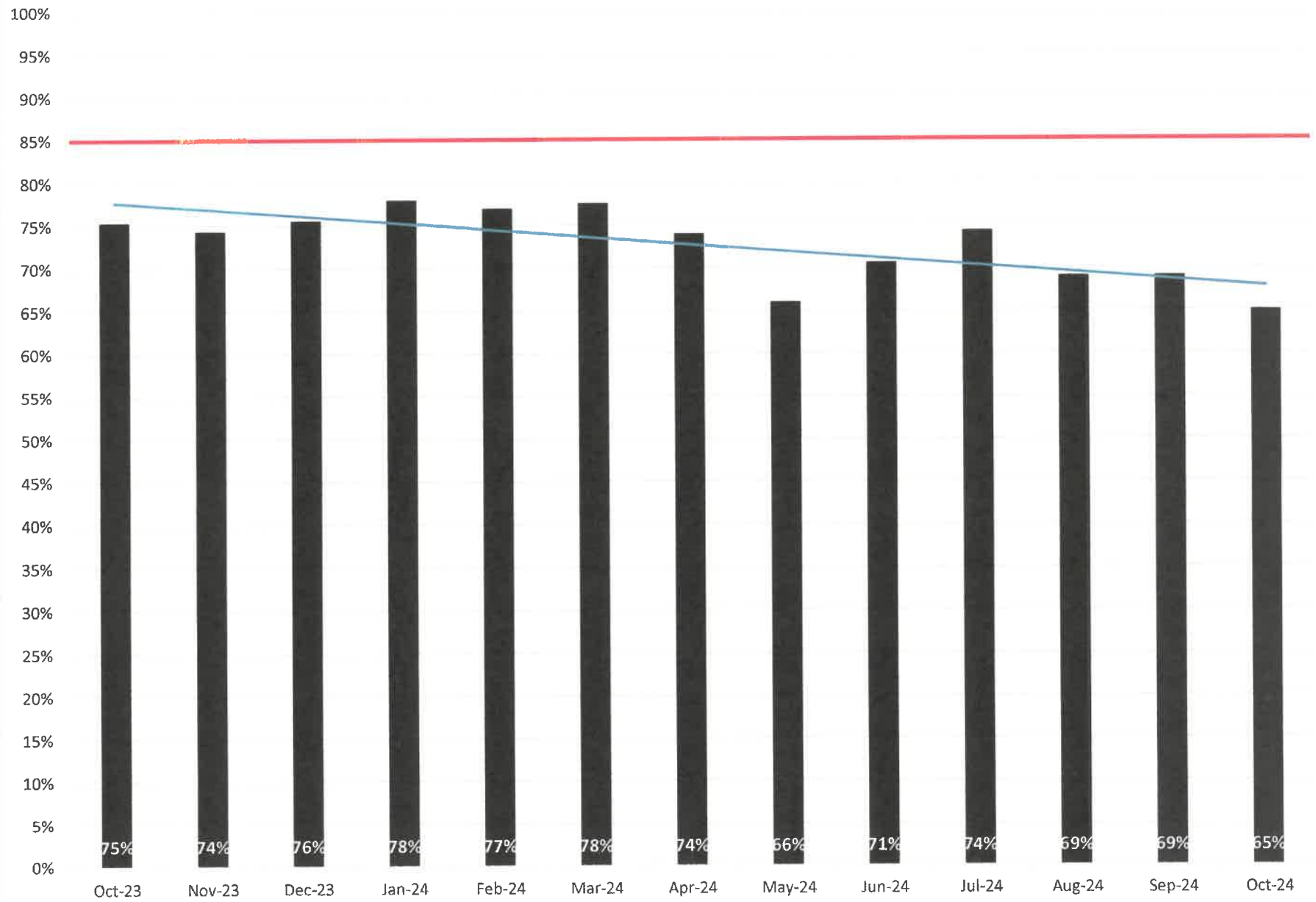
November
Major and Non-Major
Miles Between Road Calls

Total Miles	FY 2024	FY 2025
Demand Response	62,127	64,752
Commuter Bus	18,685	17,840
Motor Bus	275,595	283,979
Total Miles	356,407	366,571

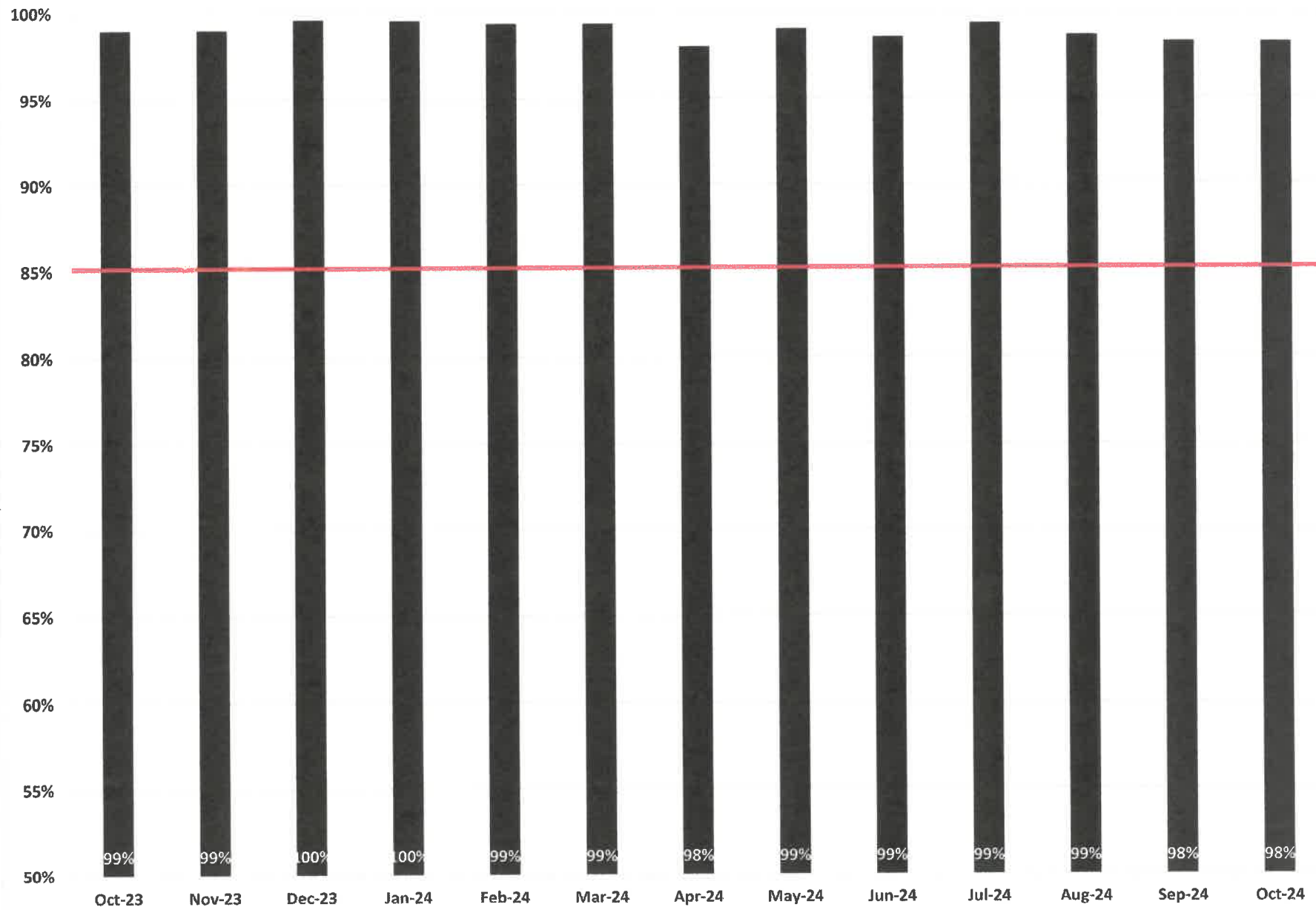
Total Road Calls	FY 2024	FY 2025
Demand Response	4	6
Commuter Bus	0	0
Motor Bus	24	29
Total Road Calls	28	35

Miles Between Road Calls	FY 2024	FY 2025
Demand Response	15,532	10,792
Commuter Bus	18,685	17,840
Motor Bus	11,483	9,792
Total System	45,700	38,424

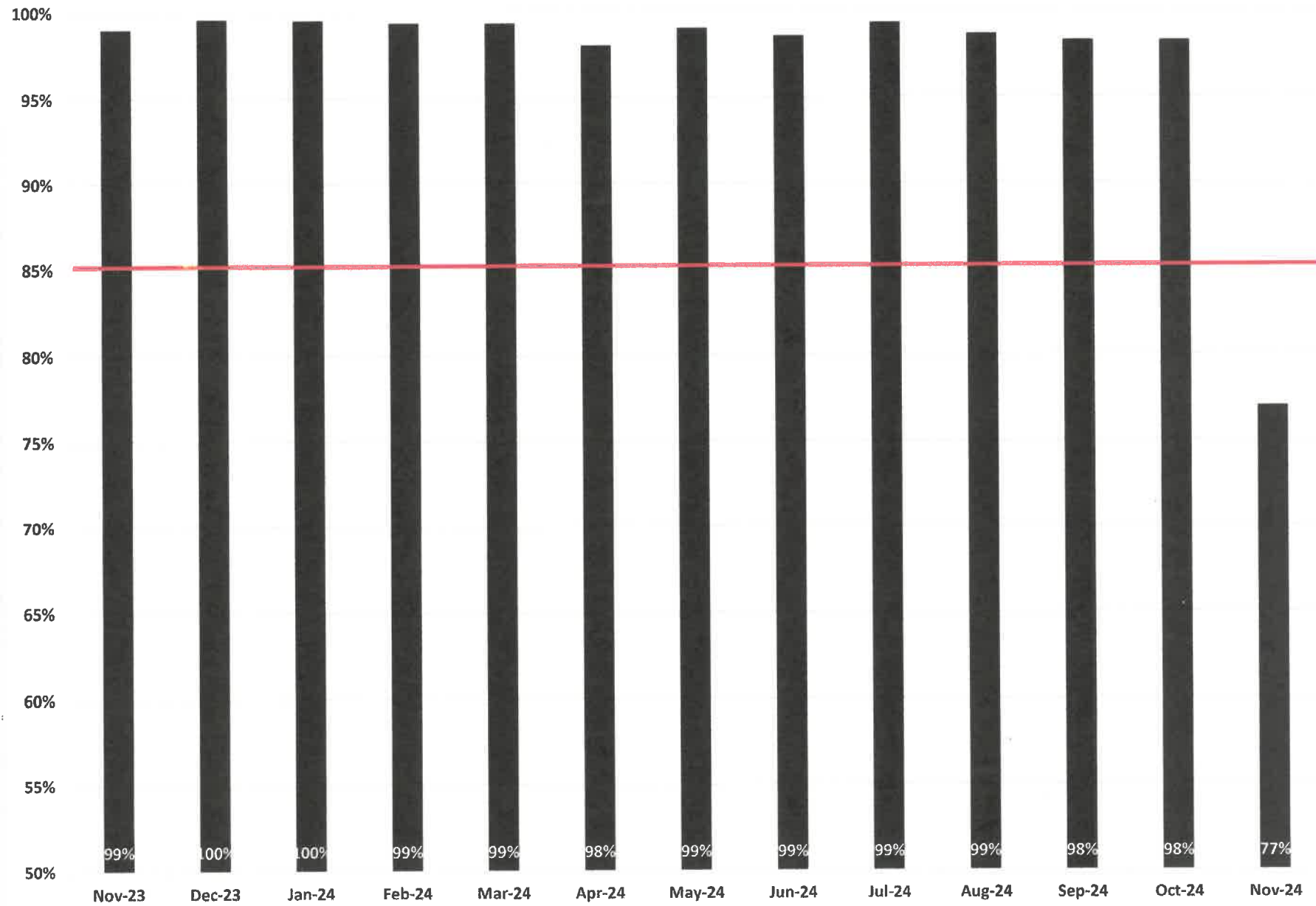
OTP - Fixed Route



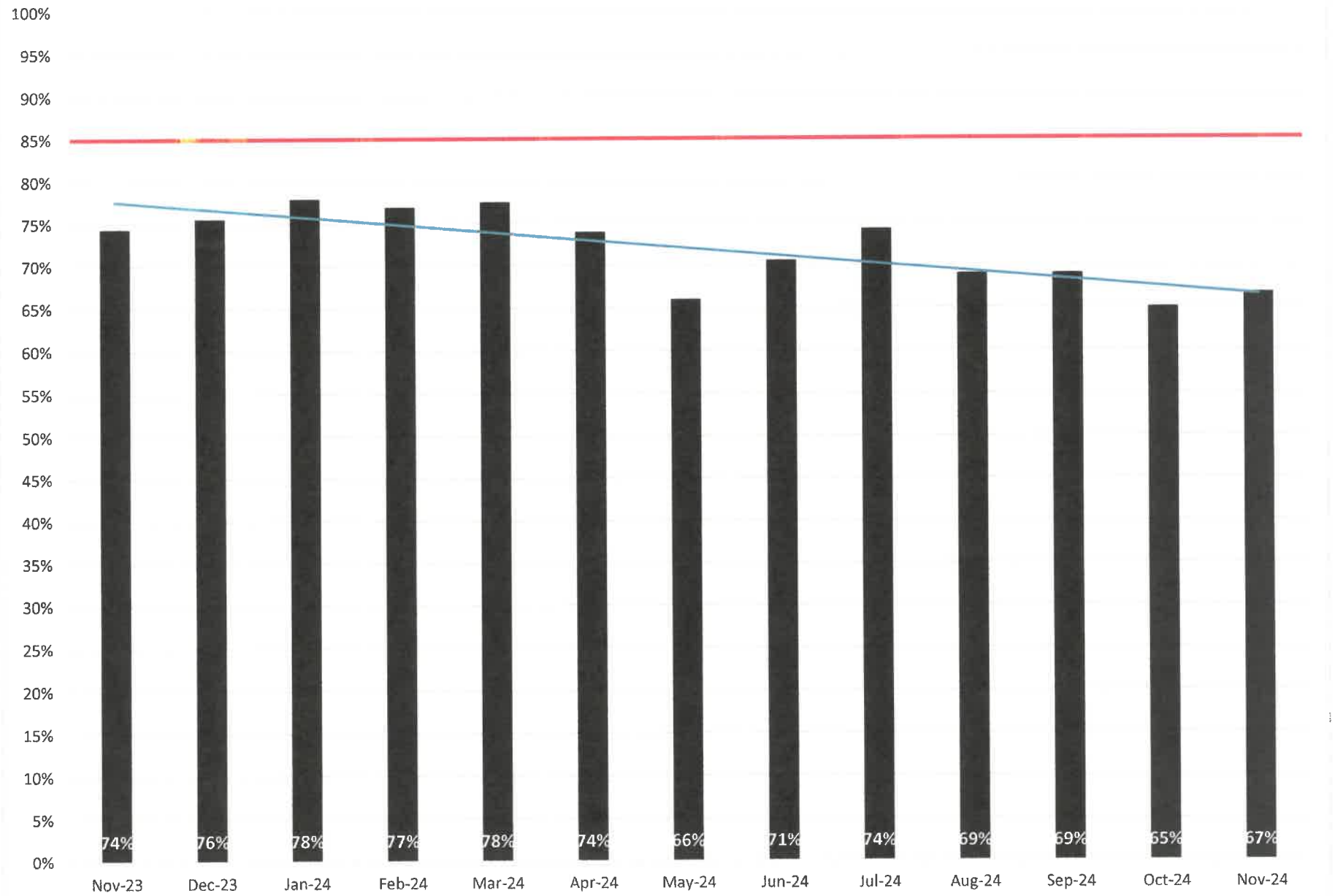
OTP - Direct Access



OTP - Direct Access



OTP - Fixed Route



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**AGENDA ITEM
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VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

Transit Operations Division, Victor Valley Detail Report.

SUMMARY STATEMENT

At this time, a representative of the VVTA Transit Operations Division, Victor Valley Detail will present highlights and statistics from the last month.

RECOMMENDED ACTION

Information item only.

PRESENTED BY VVTA Transit Operations Division Unit	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
	N/A	January 21, 2025	5



TRANSIT OPERATIONS DIVISION - VICTOR VALLEY TRANSIT DETAIL

YEARLY STATS 2023-2024



- 2023 STATS, INCEPTION
MARCH 25 – DECEMBER 31,
2023
- 2024 STATS, JANUARY 1 –
SEPTEMBER 30, 2024



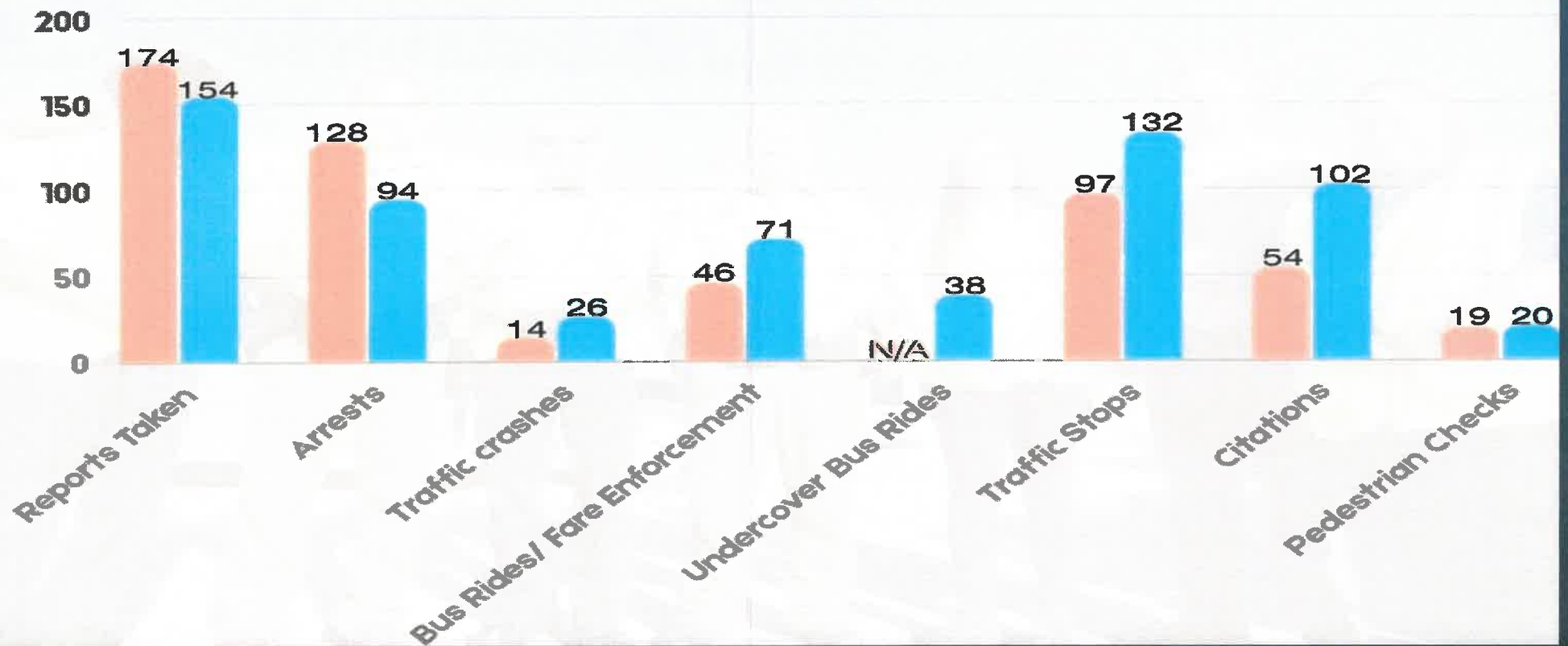
VVTD Yearly Stats

2023 2024

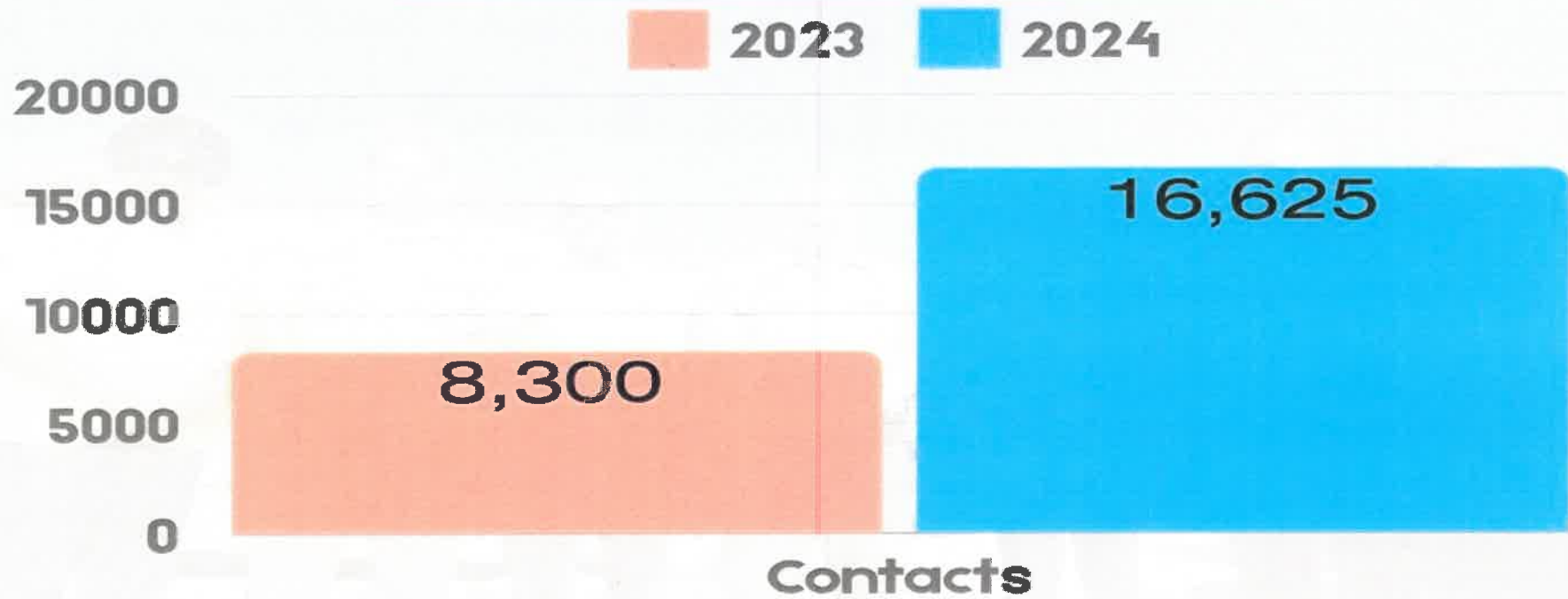


VVTD Yearly Stats

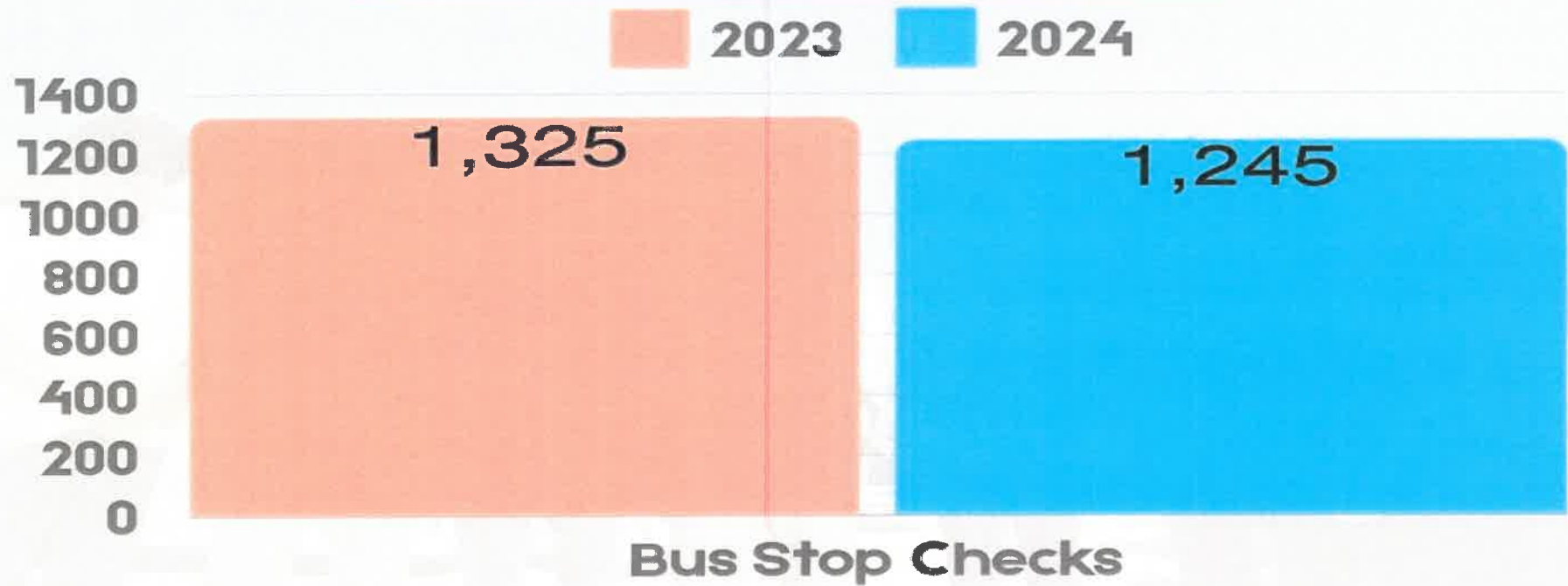
2023 2024



VVTD Yearly Stats



VVTD Yearly Stats



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**AGENDA ITEM
SIX**

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VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

Approve Amendment to San Bernardino County MOU 23-35 for the Addition of Administrative Staffing for Sheriff's Transit Unit.

SUMMARY STATEMENT

In February 2023, VVTA and the San Bernardino County Sheriff's Department entered into an agreement through which the Sheriff's Department has deployed a dedicated Transit Unit to patrol the VVTA service area. The Sheriff's Transit Unit currently consists of four deputies and one sergeant. The duties of the unit include uniformed patrols of VVTA bus stops and facilities, responding to incidents involving passengers and VVTA/Contractor employees, investigations of criminal activity in and around VVTA facilities, and traffic collision investigations involving VVTA vehicles. In June 2024, the Board approved the addition of one corporal and one deputy to the Transit Unit.

In addition to their field duties, deputies in the Transit Unit are often required to undertake administrative tasks such as report writing, investigative research, and clerical responsibilities that involve office work and removes them from the field. This results in a decrease in actual staff time on patrol duties. To increase deputy manhours in the field, it is recommended that 1.5 Full-Time Equivalent (FTE) administrative support positions be added to the Transit Unit. These positions are one Sheriff's Service Specialist (0.5 FTE), and one Office Specialist (1 FTE).

Duties of the Sheriff's Service Specialist include general field investigative work on minor accidents and crimes, report writing, and transport of documents and materials between Sheriff's facilities. This position would be split between the VVTA Transit Unit and the Sheriff's Metrolink Unit, with one-half of the position cost funded by VVTA.

Continued

RECOMMENDED ACTION

Approve Amendment to San Bernardino County MOU 23-35 for the addition of 1.5 FTE Administrative Support Staff Positions for the Sheriff's Transit Unit.

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
Rod Goldman, Director of Operations	\$70,000	January 21, 2025	6

VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

Approve Amendment to San Bernardino County MOU 23-35 for the Addition of Administrative Staffing for Sheriff's Transit Unit.

SUMMARY STATEMENT

The Office Specialist duties include general clerical and administrative activities conducted solely in the office. This position would be fully dedicated to the VVTA Transit Unit. The addition of these positions will allow deputies to increase time allocated to patrol duties, improve incident response times, conduct more uniformed bus rides, and increase the number of undercover operations onboard buses, resulting in enhanced safety for passengers and employees.

For the six-month period from January to June 2025, the projected fiscal impact is approximately \$70,000. The fiscal impact will be covered by savings identified in the current Sheriff's contract due to new staff positions approved in the FY25 Budget being deployed later in the fiscal year. For the FY26 Budget, the estimated fiscal impact is approximately \$140,000. Funding for these positions is provided through LTF funds and other operating funds.

**AGENDA ITEM
SEVEN**

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VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

**VVTA Annual Financial Audit Report for Fiscal Year Ending June 30, 2024,
Completed by Vasquez & Company LLP.**

SUMMARY STATEMENT

VVTA received its audited Annual Financial Report for the fiscal year ending June 30, 2024, along with the required Single Audit for Federal Award Programs. In the management's opinion it was an "exemplary" audit. There were no audit findings, no material misstatements, and no management recommendations were noted. VVTA was found to be materially in compliance with GAAP (Generally Accepted Accounting Principles), and Government Uniform Guidance standards and all other related codified rules.

HIGHLIGHTS

- ❑ Net Position: Overall net position for fiscal year (FY) 23/24 is \$99,905,367 and was largely impacted by an increase in net investment in capital assets of \$3,469,310, as well as an increase in unrestricted net position of \$12,003,038. These changes are explained in detail in the Management's Discussions and Analysis.
- ❑ The value of the Authority's capital assets (net of deletions, depreciation, and amortization) increased by \$2,464,681 or 2.9%. This increase was caused by investment in new assets of \$9,396,556 offset by depreciation, amortization, and asset retirement costs totaling \$6,931,875. This increase in depreciable asset value also had a significant impact on the overall ending net position as in detail in the Management's Discussions and Analysis.
- ❑ Operating Expenses increased by \$2,165,128 or 7.1% compared to last year operating expenses, due to the annual increase of the Operations and Maintenance contractor rates, plus the increase of the fuel market prices and the high increase in inflation which impacted and increased all supplies and services market prices. Additionally, in FY24 VVTA implemented the Sheriff contract that provides safety and security to the riders.

Continued

RECOMMENDED ACTION

Receive and file.

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
Maged Azer CFO	N/A	January 21, 2025	7

VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

VVTA Annual Financial Audit Report for Fiscal Year Ending June 30, 2024 Completed by Vasquez & Company LLP.

- ❑ Program Revenues to support operations received from Federal decreased by \$3,523,459 or 61.7% as compared to the prior year. The Federal operating grants increased due to the increase of using the Federal Operating Assistance funds 5307. Other program revenues for FY 23/24 totaled \$3,539,263 slightly increased by \$597,068 when compared to the prior year, this is due to the increase of the CNG station sales plus the RINS Credit Revenue earned in FY23/24.
- ❑ Capital revenues contributed by Federal, State, and local agencies totaled \$11,004,809. These sources were provided by grants to support specific capital purchases. Capital purchases vary greatly from year to year depending on the needs and objectives of the Authority. The funds received were enough to meet the capital needs of the agency for FY 23/24.
- ❑ Total revenues increased by 29.5% from \$47,544,391 in FY 22/23 to \$61,593,313 in FY 23/24 largely due to the increase of the State and local grants in Operating and the increase Federal grants in both operating and Capital Revenues.
- ❑ Total expenses including depreciation and interest, for the fiscal year totaled \$45,965,178, representing an increase of \$2,550,710 or 5.9% compared to the prior fiscal year. This was impacted by the increase in operating expenses by 7.1% or \$2,165,128 due to the increase of the operations and maintenance contract annual rate, plus the start of the new Sherriff contract that provide safety to passengers, and the increase of the fuel market prices as mentioned above, plus the increase in the inflation rate that impacted the costs of all supplies and services. Furthermore, there was a slight increase in general and administrative costs of \$194,309, compared to the prior year. The increase is due to several factors, including the Authority hired three new positions for the procurement and Fleet and Facilities that the Board of Directors (Board) approved in the FY 23/24 Budget. Additionally, there was a significant increase in the market insurance and health insurance rates. The Marketing expenses also increased due to the implementation of the new Micro-Link program. Lastly, the high inflation rate impacted all administrative services and supplies.

Continued

VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

**VVTA Annual Financial Audit Report for Fiscal Year Ending June 30, 2024
Completed by Vasquez & Company LLP.**

SUMMARY STATEMENT

- Cash and equivalents at the end of the year were \$41,270,630. Of this amount, \$30,348,035 is available for operations, with the balance restricted by grant agreements or governing body policy to be used on specific capital projects, including purchasing rolling stock, capital improvements, repairs, and equipment for the Authority's facilities.

Included in this cash position is \$3,120,918 that is restricted by a debt agreement in connection with the 2016 Certificates of Participation (COP), which funded the construction of the Authority's Hesperia facility, and the 2018 COP for the construction of the Barstow Facility. \$398,267 is in Proposition 1B funds, \$2,782,043 is in Low Carbon Transit Operations Program (LCTOP) funds, and \$1,272,454 is in State of Good Repair (SGR) funds. These funds are restricted by grant agreements for certain capital projects, as well as \$5,829,346 restricted by the Authority's Governing Board for specific capital projects.

VICTOR VALLEY TRANSIT

Victor Valley Transit Authority
A Joint Powers Authority
Basic Financial Statements
As of and for the Year Ended June 30, 2024
with Independent Auditor's Report

**Victor Valley Transit Authority
A Joint Powers Authority
Basic Financial Statements
*As of and for the Year Ended June 30, 2024
with Independent Auditor's Report***

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Independent Auditor's Report

The Board of Directors
Victor Valley Transit Authority
Hesperia, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Victor Valley Transit Authority (VVTa) as of and for the year ended June 30, 2024, and the related notes to the basic financial statements, which collectively comprise VVTa's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of VVTa as of June 30, 2024, the changes in its 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 VVTa and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about VVTA's ability to continue as a going concern for twelve months beyond the financial statements 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 GAAS 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 GAAS 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 VVTA'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 VVTA'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 on pages 4 through 11 and the Schedule of VVTA's Proportionate Share of the Net Pension Liability on page 43, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board (GASB), 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2024, on our consideration of VVTA'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 VVTA'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 VVTA's internal control over financial reporting and compliance.

Glendale, California
December 30, 2024

This discussion and analysis of the Victor Valley Transit Authority's (VVTa or the Authority) financial performance for the year ended June 30, 2024, provides a financial summary of the Authority's current year results in comparison to the prior year. It should be read in conjunction with the accompanying financial statements and notes to the basic financial statements.

The Management's Discussion and Analysis (MD&A) section of the Authority's annual financial report provides condensed comparative data and briefly discusses the financial activities during the year ended June 30, 2024. It is a separate but integral part of the financial statements and notes that follow. The purpose of this MD&A is to promote an understanding of the Authority's financial statements.

The financial statements of the Authority supply information using accounting methods similar to those used by private sector companies. These statements offer short and long-term information about its activities.

The Statement of Net Position includes all the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources and provides the basis for evaluating the capital structure, liquidity, and overall financial integrity of the Authority.

The Statement of Revenues, Expenses, and Changes in Net Position displays the revenues, expenses, and changes in net position for the Authority and measures the success of operations over the past year.

It can be used to determine creditworthiness and whether revenue sources matched, exceeded, or failed to meet expenses.

The final financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financing activities. It accounts for the cash and cash equivalents balance available at the beginning of the year and at year end. It displays cash received, cash expended, and the net change in the amount of cash and cash equivalents.

Highlights

- Net Position: Overall net position for fiscal year (FY) 23/24 is \$99,905,367 and was largely impacted by an increase in net investment in capital assets of \$3,469,310, as well as an increase in unrestricted net position of \$12,003,038. These changes are explained in detail in this analysis.
- The value of the Authority's capital assets (net of deletions, depreciation, and amortization) increased by \$2,464,681 or 2.9%. This increase was caused by investment in new assets of \$9,396,557, offset by depreciation, amortization, and asset retirement costs totaling \$6,931,876.
- The Authority's overall operations statistics were impacted this year by the annual increase in the operations and maintenance contractor rate. This increase is consistent with the transit service required by the Authority to provide the highest quality transportation services and reflects the need for private contractors to pay bus operators a living wage. Plus the expansion of the new Micro-Link program; this new program provides on-demand services for the riders to reach the Fixed Route Bus stops.

- FY 23/24 continued to show significant increases in fuel expenses due to the increase in fuel market prices countrywide. Additionally, there have been increases in supplies and service prices due to the rising inflation rate and transportation costs.
- Total revenues increased by 29.5% from \$47,544,391 in FY 22/23 to \$61,593,313 in FY 23/24, largely due to increase in Federal, State and local grants in both Operating and Capital Revenues.
- Total expenses, including depreciation and interest, for the fiscal year totaled \$45,965,178, representing an increase of \$2,550,710 or 5.9% compared to the prior fiscal year. This was impacted by the increase in operating expenses by 7.1% or \$2,165,128 due to the increase of the operations and maintenance contract annual rate, plus the implementation and growth of the new Micro-Link program, the increase of the fuel market prices as mentioned above, and the contract with the Sherriff department that support the safety and security to the riders. This was in addition to the increase in the inflation rate that impacted the costs of all supplies and services. Furthermore, there was an increase in general and administrative costs of 4%, or \$194,309, compared to the prior year. The increase is due to several factors, including the Authority hiring three new positions for the Procurement and Fleet and Facilities departments that the Board of Directors (Board) approved in FY 23/24 Budget. Additionally, there was a significant increase in the market insurance and health insurance rates. Marketing expenses also increased due to the implementation of the new Micro-Link program.
- Cash and equivalents at the end of the year were \$41,275,422. Of this amount, \$30,348,035 is available for operations, with the balance restricted by grant agreements or governing body policy to be used on specific capital projects, including purchasing rolling stock, capital improvements, repairs, and equipment for the Authority's facilities.

Included in this cash position is \$3,120,918 that is restricted by a debt agreement in connection with the 2016 Certificates of Participation (COP), which funded the construction of the Authority's Hesperia facility, and the 2018 COP for the construction of the Barstow Facility. \$398,267 is in Proposition 1B funds, \$2,782,043 is in Low Carbon Transit Operations Program (LCTOP) funds, and \$1,272,454 is in State of Good Repair (SGR) funds. These funds are restricted by grant agreements for certain capital projects, as well as \$5,829,346 reserved by the Authority's Governing Board for specific capital projects.

- In FY14/15, VVTA adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, which had implications on costs and the net position of the Authority. Statement No. 68 was issued by GASB in June 2012, requiring public employers who participate in a defined benefit pension plan administered as a trust or similar arrangement (such as the California Public Employees Retirement System (CalPERS)) to comply with new accounting and financial reporting standards. These standards required, amongst other things, that risk-pooled employers like VVTA would have to report their proportionate share of the collective net pension liability (NPL), pension expense, and deferred inflows/outflows of resources from CalPERS managed funds. Prior to GASB Statement No. 68, VVTA reported only amounts contributed by VVTA to the CalPERS retirement plan on behalf of eligible participating staff members, as an expense without indication of a shared liability for future potential pension expenses. In the FY 23/24 financial statements, VVTA has reported its proportionate share of the collective net pension liability (NPL), pension expense, and deferred inflows/outflows of resources. These requirements had a very minor impact on VVTA's overall financial statements. Ending proportionate share of NPL for VVTA in FY 23/24 was \$582,879 or 0.1% of total liabilities.

Victor Valley Transit Authority
Management's Discussion and Analysis
Year Ended June 30, 2024

Additional information pertaining to the specific impact of these statements and the treatment of the Authority's financial statements are detailed in the "notes to the basic financial statements" and in the "required supplementary information" section following the notes.

Financial Analysis of Victor Valley Transit Authority

One of the most important questions asked is, "Is the Authority better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position provide information about the Authority's activities to help answer that question. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or weakening. The Authority accounts for all transactions in an enterprise fund, which uses the full accrual basis of accounting. The activity shown in Table A-1 represents all activity through that fund.

Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources

A summary of the Authority's Statement of Net Position is presented in Table A-1.

Table A-1
Condensed Statement of Net Position

	June 30, 2024	June 30, 2023	Dollar Change	Percentage Change
ASSETS				
Capital assets, net	\$ 87,872,935	\$ 85,408,254	\$ 2,464,681	2.9%
All other assets	51,344,460	41,538,452	9,806,008	23.6%
Total assets	139,217,395	126,946,706	12,270,689	9.7%
Deferred outflows of resources				
Pension	499,579	859,624	(360,045)	-41.9%
Refunding	755,400	813,508	(58,108)	-7.1%
Total deferred outflows of resources	1,254,979	1,673,132	(418,153)	-25.0%
Total assets and deferred outflows of resources	\$ 140,472,374	\$ 128,619,838	\$ 11,852,536	9.2%
LIABILITIES				
Current liabilities	\$ 12,356,798	\$ 15,178,875	\$ (2,822,077)	-18.6%
Noncurrent liabilities	28,151,515	29,081,393	(929,878)	-3.2%
Total liabilities	40,508,313	44,260,268	(3,751,955)	-8.5%
Deferred inflows of resources				
Pension	9,094	5,497	3,597	65.4%
Leases	49,600	76,841	(27,241)	-35.5%
Total deferred inflows of resources	58,694	82,338	(23,644)	-28.7%
NET POSITION				
Net investment in capital assets	59,032,495	55,563,185	3,469,310	6.2%
Restricted for debt service	3,120,918	2,965,131	155,787	5.3%
Unrestricted	37,751,954	25,748,916	12,003,038	46.6%
Total net position	99,905,367	84,277,232	15,628,135	18.5%
Total liabilities, deferred inflows of resources, and net position	\$ 140,472,374	\$ 128,619,838	\$ 11,852,536	9.2%

Victor Valley Transit Authority
Management's Discussion and Analysis
Year Ended June 30, 2024

Table A-1 shows the Authority's total net position increased from \$84,277,232 in FY 22/23 to \$99,905,367 in FY 23/24 or 18.5% because of the current year's activities, as explained further in this report.

- All other assets increased by \$9,806,008 or 23.6%. The change is mainly due to the increase in cash and cash equivalents due to the increase in the Federal and State operating funds that funded the increase in operating expenses.
- Total capital assets (net of depreciation) increased by \$2,464,681. This change reflects the net activity in the capital asset accounts, including additions and retirements of assets and accumulated depreciation expense charges. This increase indicates that the Authority's investment activity in capital assets was more than its charges and increased by 2.9% compared to the prior year.

	June 30, 2024	June 30, 2023	Dollar Change	Percentage Change
Land	\$ 3,262,834	\$ 3,262,834	-	0.0%
Construction in progress	824,050	557,066	\$ 266,984	47.9%
Total non-depreciable	4,086,884	3,819,900	266,984	7.0%
Capital assets, net	83,479,087	81,467,895	2,011,192	2.5%
Right-to-use leased assets, net	81,109	120,459	(39,350)	-32.7%
SBITA asset, net	225,855	-	225,855	0.0%
Total depreciable and amortizable	83,786,051	81,588,354	2,197,697	2.7%
Total capital assets, net \$	87,872,935	\$ 85,408,254	2,464,681	2.9%

The ending balance of \$824,050 in the construction in progress account is for the new transfer center in Hesperia and the Hydrogen Fuel Station, plus the five-year Comprehensive Operation Analysis (COA) and the upgrade of the CNG station in Barstow.

- A total of \$9,396,556 in property and equipment capital assets was invested in acquiring capital assets encompassing a variety of items. These assets comprise eight (9) Eldorado Axes buses specifically designated for Fixed Route operations. Additionally, five (5) new service vehicles were procured to offer driver relief and supervisory support to the transit system, and three (3) BraunAbility Voyager vehicles were obtained for our Micro-Link program service.

Facility improvements were also undertaken, including painting the Hesperia facility and renovating the epoxy flooring of the maintenance building. The investment further facilitated improvements of bus shelters. Additionally, facility improvements encompassed maintenance and computer equipment implemented to support the transit facilities in Hesperia and Barstow.

- Total liabilities decreased by \$3,751,955 compared to FY 22/23, mainly due to decreased unearned revenues and accrued expenses.
- Net position – net investment in capital assets increase to \$59,032,495. This was a result of the net activity in capital asset and liability accounts, including additions and retirements of capital assets as well as accumulated depreciation expense charges and increases or decreases in capital-related debt, as explained earlier in this discussion.

**Victor Valley Transit Authority
Management's Discussion and Analysis
Year Ended June 30, 2024**

- Net position in the amount of \$3,120,918 is restricted for debt service on a long-term lease arrangement maturing in 2037. These funds are reserved as required by the finance lease documents of the 2016 COP and 2018 COP to provide security to the lessor for future lease payment obligations by the Authority. These funds will remain in this restricted status until the lease agreements mature in 2037.
- Net position in the amount of \$37,751,954 is unrestricted. Unrestricted net position is the part of the net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

Revenues, Expenses, and Changes in Net Position

While the Statement of Net Position shows the change in the financial position of net assets, the Statement of Revenues, Expenses, and Changes in Net Position provides answers as to the nature and source of these changes.

**Table A-2
Condensed Statement of Revenues, Expenses, and Changes in Net Position**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Revenues				
Program revenues (operating)				
Charges for services (fares)	\$ 2,532,537	\$ 1,930,444	\$ 602,093	31.2%
Federal grants - operating	9,231,329	5,707,870	3,523,459	61.7%
State and local grants - operating	35,285,375	27,667,259	7,618,116	27.5%
Other revenues	3,539,263	2,942,195	597,068	20.3%
Capital revenues (operating)				
Federal grants	7,319,172	4,517,203	2,801,969	62.0%
State and local grants	3,685,637	4,779,420	(1,093,783)	-22.9%
Total revenues	61,593,313	47,544,391	14,048,922	29.5%
Expenses				
Program expenses				
Operations	32,680,941	30,515,813	2,165,128	7.1%
General and administration	5,005,564	4,811,255	194,309	4.0%
Depreciation and amortization	7,151,176	6,934,421	216,755	3.1%
Capital expenses:				
Capital interest expense	1,127,497	1,152,979	(25,482)	-2.2%
Total expenses	45,965,178	43,414,468	2,550,710	5.9%
Change in net position	15,628,135	4,129,923	11,498,212	278.4%
Net position - beginning of year	84,277,232	80,147,309	4,129,923	5.2%
Net position - end of year	\$ 99,905,367	\$ 84,277,232	\$ 15,628,135	18.5%

As shown in Table A-2, fare revenues increased by \$ 602,093 or 31.2% in FY 23/24. This increase is due to the \$750,000 provided by SBCTA from STA Funds to support the free ride for Kinder Gardens, plus the full operation service for the full year; last year, the full service was only for nine months.

Program revenues to support operations received from Federal grants increased by \$3,523,459 or 61.7% compared to the prior year. The Federal operating grants increased due to the increase in Federal Operating Assistance grant 5307 to support the increase in operating expenses.

Other program revenues for FY 23/24 totaled \$3,539,263, increased by \$597,068 compared to the prior year. This is due to the increase in interest income and Fuel Gas Stations sales of the RINS Credit Revenue earned in FY 23/24.

Capital revenues contributed by Federal, State, and local agencies totaled \$11,004,809, an increase of \$1,708,186. Capital revenues from these sources were provided by grants to support specific capital purchases. Capital purchases vary greatly from year to year, depending on the needs and objectives of the Authority. The funds received were enough to meet the agency's capital needs for FY 23/24, which are detailed in this report's discussion of "net position."

Total revenues increased by \$14,048,922 or 29.5% from \$47,544,391 in FY 22/23 to \$61,593,313 in FY 23/24, mainly due to the increase of the Federal and State operating funds to meet the increase of the operating expenses for the reasons mentioned above.

Program expenses show an increase in operating expenses of \$2,165,128 or 7.1% due to the annual increase of the operations and maintenance contractor rates, plus the increase of the fuel market prices as mentioned above and the high increase in inflation, which impacted and increased all supplies and services market prices, as well as the expansion of the new Micro-Link program the Sherriff Agreement that was implemented in FY23 to provide safety and security to the riders. As mentioned above, the general and administration expenses increased by \$194,309 or 4%. Depreciation expense increased by \$216,755 or 3.1% due to the increase in the investment in capital assets, as mentioned above.

Financial Condition

Overall, the Authority's financial condition remained strong and stable as a result of various planned program activity growth along with continued capital investment. The Authority continues to enjoy strong financial support from a variety of sources, including Federal, State, and local funding sources, as well as continuing an aggressive program of growing other projects, such as the Hydrogen fueling station infrastructure, to support the plan for transitioning rolling stock to Hydrogen Fueled Battery Electric. Additionally, the Federal government has pledged increased and stable support for transit overall, from which the Authority will continue to benefit. This strong financial condition is evidenced in Table A-1, which shows the Authority's total ending net position of \$99,905,367, more than last year by \$15,628,135.

Some specific activities that have led to the Authority's financial condition as of June 30, 2024, include:

- This fiscal year, the Authority invested \$9.4 million in new capital asset acquisitions, including vehicles and equipment. This robust investment demonstrates that the Authority's access to capital funding through Federal, State, and local sources remains strong. The Authority's investment strategy is based on the need for expansion, innovation, technology upgrades, and maintenance of its existing services. Capital asset investment in FY 23/24 is forecasted to remain strong from investment in new rolling stock, including Hydrogen Electric Buses, to comply with the Zero Emission Bus Transition ZEB and continued capital investments in its facilities.
- In October 2023 Micro-Link micro transit service became a permanent service after a successful 1-year pilot program. Micro-Link zones are operated in areas of the cities of Hesperia and Victorville. Since it was made a permanent service, Micro-Link ridership has increased by approximately 44%. The success of this service led to the implementation of a third Micro-Link zone in Apple Valley on October 28, 2024.

- The Authority continued its extensive program to increase the number of buses, bus shelters, benches, solar lights, and other passenger amenities. Also continuing into the next fiscal year is the infrastructure needed to support the ZEB hydrogen fuel stations, plus the new transfer hub in Hesperia.
- In June 2015, the Authority was designated as a Consolidated Transportation Services Agency (CTSA) for the High and North Desert regions of San Bernardino County. This represented an expanding role and commitment to the Authority's already established Mobility Management department and increased the Authority service area from 425 to 950 square miles. Through the CTSA designation, the Authority has locked in Federal and local funding and increased other funding opportunities through local non-profit partnerships. Throughout FY 23/24, the Authority continued to maintain and support these programs and expanded these services.
- The Authority continued to invest in its Vanpool Program, which is operated under the management of its Operation Department and the direction of the Director of Operation. This program provides support for residents of the Authority's service area who must commute out of the service area for work and those commuting into our service area for employment. These vanpools serve to reduce traffic congestion and improve the environment through the lowering of carbon emissions. Additionally, the Authority reports the passenger miles produced by these vanpools, which continue to generate additional Federal apportionment funding. These additional Federal funds are used for capital and operating support, and expansion of the Authority's other transportation services. The Authority has continued and maintained its commitment to the Vanpool Program in FY 23/24 with further plans to market and grow the program.
- FY 23/24 VVTA continued its agreement with Trillium CNG, which replaced the BP agreement effective October 1, 2020. This natural gas is used to create Compressed Natural Gas (CNG) fuel for the Authority's fleet of vehicles. The contract with Trillium CNG to provide the Authority with a source of renewable natural gas (RNG) has resulted in substantial reductions in greenhouse emissions. Additionally, the Authority generated \$633,436 received from the RINS credits as a direct result of the RNG sourcing. The Authority will continue to source this valuable and environmentally friendly fuel in FY 23/24.
- In July 2023, VVTA successfully implemented and launched a new enterprise Oracle software system. This comprehensive solution integrates multiple functionalities, including Purchase Order creation and approval workflows, an advanced Accounting system with payment workflow approvals, Fixed Asset management, Human Resources (HR), timesheet tracking, and Payroll processing. Additionally, the system ensures the retention of all supporting documents for every transaction. By replacing four legacy software systems, the Oracle platform streamlines operations, enhances efficiency, and centralizes critical business processes.

The overall financial outlook for the Authority's programs and services remains strong, with a continued commitment to investment in capital assets, technologies, and services coupled with fiscally responsible management that protects the investments of the Authority, its member jurisdictions, and investors while providing the highest quality public transportation services to the communities it serves.

Contacting the Authority

This financial report is designed to provide our citizens and customers with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions regarding this report or require additional financial information, please contact Mr. Maged Azer, Chief Financial Officer (CFO) at Victor Valley Transit Authority, 17150 Smoke Tree St., Hesperia, California, 92345.

Victor Valley Transit Authority
Statement of Net Position
Year Ended June 30, 2024

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current assets

Cash and cash equivalents	\$ 32,765,226
Cash and investments with fiscal agent - restricted	3,120,918
Cash and investments - Board reserved	5,389,278
Receivables	
Federal, State, and other local grants	9,183,944
Other	327,719
Leases, current portion	31,180
Prepaid expenses	468,784
Fuel inventory	31,415
Total current assets	<u>51,318,464</u>

Noncurrent assets

Lease receivables, long-term portion	25,996
Capital assets, not being depreciated	4,086,884
Capital assets, net of accumulated depreciation	83,479,087
Right-to-use leased assets, net of accumulated amortization	81,109
SBITA asset, net of accumulated amortization	225,855
Total noncurrent assets	<u>87,898,931</u>
Total assets	<u>139,217,395</u>

Deferred outflows of resources

Deferred pension	499,579
Deferred debt refunding cost	755,400
Total deferred outflows of resources	<u>1,254,979</u>

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ <u>140,472,374</u>
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(Continued)

See accompanying notes to the basic financial statements.

Victor Valley Transit Authority
Statement of Net Position (Continued)
Year Ended June 30, 2024

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

Current liabilities

Accounts payable and accrued liabilities	\$ 4,261,065
Unearned revenues	6,642,040
Compensated absences	181,889
Lease liability, current portion	38,136
Certificates of participation, current portion	1,181,329
SBITA liability, current portion	52,339
Total current liabilities	<u>12,356,798</u>

Noncurrent liabilities

Lease liability, long-term portion	40,993
Certificates of participation, long-term portion	27,399,922
Net pension liability	582,879
SBITA liability, long-term portion	127,721
Total noncurrent liabilities	<u>28,151,515</u>
Total liabilities	<u>40,508,313</u>

Deferred inflows of resources

Deferred pension	9,094
Deferred leases	49,600
Total deferred inflows of resources	<u>58,694</u>

NET POSITION

Net investment in capital assets	59,032,495
Restricted for debt service	3,120,918
Unrestricted	37,751,954
Total net position	<u>99,905,367</u>

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES
AND NET POSITION**

\$ 140,472,374

(Concluded)

See accompanying notes to the basic financial statements.

Victor Valley Transit Authority
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2024

Operating revenues		
Fares	\$	2,418,067
Special transit fares		114,470
	Total operating revenues	<u>2,532,537</u>
Operating expenses		
Operations		32,680,941
General and administration		5,005,564
Depreciation and amortization		7,151,176
	Total operating expenses	<u>44,837,681</u>
Operating loss		<u>(42,305,144)</u>
Nonoperating revenues (expenses)		
Operating assistance		
Federal Transit Administration - Section 5307, operating		7,500,000
Federal Transit Administration - Section 5311		1,725,629
Federal Transit Administration - Section 5316		5,700
Local Transportation Fund, operating		33,273,850
Measure I		1,741,449
AB 2766		250,000
State - LCTOP		20,076
Gain on disposal of assets		106,707
Interest income		1,547,933
Miscellaneous		1,884,623
Interest expense		(1,127,497)
	Total nonoperating revenues (expenses)	<u>46,928,470</u>
	Income before capital contributions	<u>4,623,326</u>
Capital contributions		
Federal Transit Administration - Section 5307, capital		4,656,569
Local Transportation Fund, capital		2,515,056
State Transit Assistance Fund		499,628
State of Good Repair		670,953
CMAQ		2,662,603
	Total capital contributions	<u>11,004,809</u>
	Change in net position	<u>15,628,135</u>
Net position, beginning of year		<u>84,277,232</u>
Net position, end of year	\$	<u><u>99,905,367</u></u>

See accompanying notes to the basic financial statements.

Victor Valley Transit Authority
Statement of Cash Flows
Year Ended June 30, 2024

Cash flows from operating activities

Cash received from fares	\$ 2,509,293
Cash payments to employees	(3,399,466)
Cash payments to vendors for services	(34,250,716)
Net cash used by operating activities	(35,140,889)

Cash flows from noncapital financing activities

Operating grants received	28,415,603
Other noncapital financing	1,852,304
Net cash provided by noncapital financing activities	30,267,907

Cash flows from capital and related financing activities

Capital grants received	17,493,280
Purchase of capital assets	(9,391,478)
Proceeds from disposal of capital assets	106,707
Principal payments on capital debt	(975,000)
Interest paid	(1,210,200)
Payment of SBITA liabilities - principal portion	(49,802)
Payment of SBITA liabilities - interest portion	(9,824)
Payment of lease liabilities - principal portion	(38,383)
Payment of lease liabilities - interest portion	(1,333)
Cash received as lessor - principal portion	29,124
Cash received as lessor - interest portion	3,232
Net cash provided by capital and related financing activities	5,956,323

Cash flows from investing activities

Interest received	1,544,701
Net cash provided by investing activities	1,544,701

Net increase in cash and cash equivalents	2,628,042
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Cash and cash equivalents

Beginning balance	38,647,380
Ending balance	<u>\$ 41,275,422</u>

Reconciliation of cash and cash equivalents to the statement of net position

Cash and cash equivalents	\$ 32,765,226
Cash and investments with fiscal agent - restricted	3,120,918
Cash and investments - Board reserved	5,389,278
Total cash, cash equivalents, and investments	\$ 41,275,422

See accompanying notes to the basic financial statements.

Victor Valley Transit Authority
Statement of Cash Flows (Continued)
Year Ended June 30, 2024

Reconciliation of operating loss to net cash used by operating activities

Operating loss	\$ (42,305,144)
Adjustments to reconcile operating loss to net cash used by operating activities	
Depreciation and amortization expense	7,151,176
Changes in assets, deferred inflows of resources, liabilities, and deferred outflows of resources:	
Increase in other receivables	(23,244)
Decrease in prepaid expenses	32,120
Decrease in inventory	18,192
Decrease in accounts payable and accrued liabilities	(583,628)
Increase in compensated absences	31,834
Increase in net pension liability	174,163
Increase in deferred pension	363,642
Total adjustments	<u>7,164,255</u>
Net cash used by operating activities	<u><u>\$ (35,140,889)</u></u>

Schedule of non-cash investing, capital, and financing activities

Amortization of premiums on certificates of participation	\$ 103,221
Lease revenue recognized	\$ 27,241

(Concluded)

See accompanying notes to the basic financial statements.

NOTE 1 ORGANIZATION

Victor Valley Transit Authority (VVTa or the Authority) is a joint powers authority whose members are the cities of Adelanto, Barstow, Hesperia, and Victorville; the Town of Apple Valley; and the County of San Bernardino (the County) First and Third district. VVTa provides bus services to these cities, as well as the communities of Lucerne Valley, Phelan, Pinon Hills, Wrightwood, Helendale, Oro Grande, Fort Irwin, Hinkley, Newberry Springs, and Yermo, as a means of meeting the transit needs of various transit-dependent groups within its 950-square mile geographic service area. The bus services VVTa provides include fixed route services, deviated route services, County deviated routes, Americans with Disabilities Act (ADA) para-transit routes, and commuter services. Additionally, VVTa is designated as a Consolidated Transportation Services Agency (CTSA) for the High Desert and North Desert regions of the County and provides a variety of services to support transit-dependent groups that are unable to access its standard transit services. Through direct contracts with vendor providers as well as cooperative agreements with various non-profit organizations, VVTa's CTSA supports a Vanpool Program, Car Share Program, and Travel Reimbursement Incentive Program (TRIP), and directly provides Travel Training services. CTSA services are provided for rural areas of the North Desert and the communities of Trona and Big River in addition to the communities listed above. VVTa is governed by a Board of Directors (the Board) comprised of seven (7) representatives. Five Board members are elected council members each appointed by the cities they represent as well as the County Supervisors representing the First and Third County districts.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

VVTa meets the criteria as a stand-alone government, and accordingly, is accounted for and reported as though it were a primary government.

B. Measurement Focus and Basis of Accounting

VVTa's financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of related cash flows.

C. Cash and Cash Equivalents

Cash and cash equivalents include demand deposits and amounts in savings and certificates of deposit. For the purpose of the Statement of Cash Flows, cash and cash equivalents are defined as short-term deposits with original maturities of three months or less from the date of acquisition.

D. Cash and investments - Board reserved

Certain VVTa accounts are reserved to fund board designated projects and programs. At June 30, 2024, cash and investments reserved through board resolutions were \$5,389,278.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Investments with Fiscal Agent - Restricted

Certain VVTA accounts are restricted by debt agreements to fund specified debt service requirements. At June 30, 2024 the balance held with fiscal agent pursuant to this agreement was \$3,120,918.

F. Fair Value Measurements

Investments are reported at fair value which is the amount at which financial instruments could be exchanged in a current transaction between willing parties. Investments are measured at fair value on a recurring basis.

GASB Statement No. 72, *Fair Value Measurement and Application*, defined fair value, established a framework for measuring fair value and established disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the Statements of Net Position, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

- Level 1:* Inputs are unadjusted, quoted prices for identical assets and liabilities inactive markets at the measurement date.
- Level 2:* Inputs, other than quoted prices included in Level 1, that are observable for the asset or liability through corroboration with market data at the measurement date.
- Level 3:* Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

G. Grants, Grants Receivable and Unearned Revenue

Grants for operating assistance and capital acquisitions are included in revenue in the period in which the grant was earned. Federal capital grant funds claimed on a reimbursement basis have receivables for grant funds recorded as the related obligations are incurred. Capital grant funds advanced but not yet earned are treated as unearned revenues. Also, operating funds advanced from San Bernardino County Transportation Authority (SBCTA) for working capital are treated as unearned revenues until earned. Operating assistance grants are included in nonoperating revenues in the year in which the grant is applicable, and the related expenses are incurred. Revenues earned under capital grants are recorded as capital contributions.

H. Prepaid Expenses

Prepaid expenses include inventories and costs for certain payments to vendors that reflect costs applicable to future accounting periods. The costs of prepaid items are recorded as expenses when consumed rather than when paid.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Fuel Inventory

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of fuel for VVTA vehicles. The costs of such inventories are recorded as expenses when consumed rather than purchased. The value of fuel held at the transit facility on June 30, 2024, was \$31,415.

J. Capital Assets

Capital assets are stated at cost and depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	5 to 40 years
Operations equipment	3 to 12 years
Furniture and office equipment	3 to 10 years

VVTA's capitalization threshold is \$2,500. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the useful lives are not capitalized.

Right-to-use leased assets are recognized at the lease commencement date and represent VVTA's right-to-use underlying assets for the lease term. Right-to-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the leased asset into service. Right-to-use leased assets are amortized over the lease term using the straight-line method.

K. Subscription-Based Information Technology Arrangements ("SBITAs")

VVTA has recorded a Subscription-Based Information Technology Arrangements ("SBITA") asset as a result of implementing GASB Statement No. 96, SBITAs, as of and for the year ended June 30, 2024. The SBITA asset is initially measured at an amount equal to the related SBITA liability plus payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, if applicable, and capitalizable initial implementation costs less any SBITA vendor incentives received from SBITA vendor at the commencement of subscription term.

An SBITA asset is amortized using the straight-line method over the subscription term. The amortization of the SBITA asset is reported as an outflow of resources (for example, amortization expense), which may be combined with depreciation expense related to other capital assets for financial reporting purposes. Amortization begins at the commencement of the subscription term.

The right-to-use SBITA asset is reported along with other capital assets and the SBITA liability is reported on the statement of net position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Operating and Nonoperating Revenue and Unearned Revenue

VVTA distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from directly providing services in connection with VVTA's principal operation of bus transit services. These revenues are primarily passenger fares. Nonoperating revenues consist of Federal, State, and local operating grants, fuel tax credits, and investment income.

M. Operating and Nonoperating Expenses

Operating expenses include the cost of services, administrative expenses, and depreciation or amortization of capital assets. Expenses not meeting this definition are reported as nonoperating expenses.

N. Capital Contributions

Capital contributions consist of grants that are legally restricted for capital expenses by Federal, State, or local law that established those charges.

O. Net Position

The net position is the difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources and is categorized and reported under the following classifications:

Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of debt and deferred inflows and outflows of resources that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position indicates the value of the restricted assets on hand in excess of the related and recognized liabilities. It is expected that future liabilities will be recognized to match the restricted assets on hand. These monies are reserved by Federal and State legislation or third-party agreements for particular use within their particular categories.

Unrestricted Net Position consists of the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When an expense is incurred for which both restricted and unrestricted net position is available, VVTA shall first apply restricted resources, and then unrestricted resources. When restricted resources are depleted, only then shall unrestricted resources be considered for use.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Lease Receivables

Lease receivables are recorded by VVTA at the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received is discounted based on the interest rate VVTA charges the lessee.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of VVTA's participation in the California Public Employees Retirement System (CalPERS) plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported to CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

R. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses) until then. VVTA reports a deferred outflow of resources related to pensions. VVTA also reports a deferred outflow of resources amount related to debt refunding which represents the remaining unamortized balance of the difference between the carrying value of the refunded debt and the reacquisition price.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. VVTA reports deferred inflows of resources related to pensions and leases where VVTA is the lessor. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on a straight-line basis over the term of the lease.

S. Long-Term Obligations

In the Statement of Net Position, long-term debt and other long-term obligations are reported under noncurrent liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Lease liabilities represent VVTA's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on an incremental borrowing rate determined by VVTA.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

U. New Accounting Pronouncements

During the fiscal year ended June 30, 2024, VVTA implemented the following GASB Standard:

GASB Statement No. 99

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. This Statement will enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The implementation of this statement did not have a significant impact on VVTA's financial statements.

GASB Statement No. 100, Accounting Changes and Error Corrections

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The implementation of this statement did not have a significant impact on VVTA's financial statements.

GASB has released the following statements which will be implemented in future financial statements, if applicable:

GASB Statement No. 101 – Compensated Absences. This Statement requires that liabilities for compensated absences be recognized for (i) leave that has not been used and (ii) leave that has been used but not yet paid in cash or settled through noncash means. Also, this statement requires that liability for certain types of compensated absences, including parental leave, military leave, and jury duty leave, not be recognized until the leave commences. The requirements of this statement are effective for reporting periods beginning after December 15, 2023.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. New Accounting Pronouncements (Continued)

GASB Statement No. 102 – Certain Risk Disclosures. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of substantial impact. Also, it requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely that not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this statement are effective for reporting periods beginning after June 15, 2024.

GASB Statement No. 103 – Financial Reporting Model Improvements. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. The requirements of this statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 104 – Disclosures of Certain Capital Assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. Also, it requires additional disclosure for capital assets held for sale. The requirements of this statement are effective for reporting periods beginning after June 15, 2025.

NOTE 3 CNG TAX CREDITS

VVTA has accumulated unspent Compressed Natural Gas (CNG) tax credits totaling \$1,338,737. The Board has approved the allocation of these credits to establish a Capital Reserve for the Battery Electric Bus (BEB) Infrastructure project. This reserve balance is tracked separately and is reported as part of the unrestricted net position in the Statement of Net Position. During the year ended June 30, 2024, in line with the Taxpayer Certainty and Disaster Tax Relief Act of 2020 (Public Law 116-260) enacted as part of the Consolidated Appropriations Act 2021, which extended the fuel tax credits through December 31, 2024, VVTA received additional CNG tax credits. These credits were received pursuant to VVTA's usage of CNG for its bus fleet. The total CNG tax credit amount earned for the year ended June 30, 2024, was \$0. These funds are intended to support VVTA's commitment to a clean energy fleet and are included in the unrestricted net position on the Statement of Net Position.

SBCTA has agreed that these funds are available to be retained and expended based upon the direction provided by VVTA's Board in accordance with existing Board resolutions.

NOTE 4 FEDERAL, STATE, AND LOCAL GRANTS

Federal Assistance

Under the provisions of the Federal Transit Administration (FTA), funds are available to VVTA for operating assistance, security, and various capital costs. Total FTA assistance provided during the year ended June 30, 2024, was \$13,887,898.

Transportation Development Act

VVTA is subject to the provisions pursuant to Section 6634 of the California Code of Regulations and Sections 99268.4 and 99313.3 of the Public Utilities Code (PUC). VVTA receives allocations of local transportation funds pursuant to the Transportation Development Act of 1971. These funds are generated within the County and are distributed based on annual claims filed by VVTA and approved by SBCTA.

A. Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's costs less the sum of fares received, local support required to meet the fare ratio, Federal operating assistance, and the amount received during the year from a city or county to which the operator has provided service beyond its boundaries.

NOTE 4 FEDERAL, STATE, AND LOCAL GRANTS (CONTINUED)

Transportation Development Act (Continued)

A. Section 6634 (Continued)

The computation of unearned revenue as of June 30, 2024, is as follows:

	Operating Funds	Capital Funds	Total
Beginning balance, July 1, 2023	\$ 5,408,516	\$ 3,602,019	\$ 9,010,535
Gross receipts			
Local Transportation Fund			
Article 4	20,496,548	3,263,588	23,760,136
Federal Transit Administration			
Section 5307	5,261,165	6,890,419	12,151,584
Section 5311	740,100	-	740,100
Section 5316	1,561	4,139	5,700
CMAQ	-	2,653,409	2,653,409
State Transit Assistance Fund - Article 6.5	-	150,691	150,691
State Transportation Fund, Fare Media - K12	562,500	-	562,500
Measure I	755,919	-	755,919
AB2766	250,000	-	250,000
LCTOP	-	1,332,802	1,332,802
Proposition 1B (PTMISEA/CTAF)	-	15,357	15,357
State of Good Repair	-	800,091	800,091
Fares	1,782,537	-	1,782,537
RINS credits	-	663,313	663,313
Others	106,707	-	106,707
Total gross receipts	<u>29,957,037</u>	<u>15,773,809</u>	<u>45,730,846</u>
Operating expenses, less depreciation and amortization	<u>(38,814,003)</u>	<u>-</u>	<u>(38,814,003)</u>
Capital acquisitions	<u>-</u>	<u>(9,285,338)</u>	<u>(9,285,338)</u>
Receipts over/(under) expenses in current period	<u>(8,856,966)</u>	<u>6,488,471</u>	<u>(2,368,495)</u>
Amount unearned at June 30, 2024	\$ <u>(3,448,450)</u>	\$ <u>10,090,490</u>	\$ <u>6,642,040</u>

B. Sections 99268.4 and 99405

Section 99268.4 indicates that in the case of an operator that is providing services using vehicles for the exclusive use of elderly and handicapped persons, the operator shall be eligible for the Local Transportation Funds commencing with claims for the 1980-81 fiscal year if it maintains, for the fiscal year, a ratio of fare revenue to operating costs at least equal to 10-percent for the elderly and handicapped service or a ratio of fare revenue to combined operating costs at least equal to 18-percent.

NOTE 4 FEDERAL, STATE, AND LOCAL GRANTS (CONTINUED)

Transportation Development Act (Continued)

B. Sections 99268.4 and 99405 (Continued)

Section 99405(c) indicates that the 50-percent limitation shall not apply to the allocation to a city, county, or transit district for services under contract pursuant to subdivision (c) or (d) of Section 99400. The city, county, or transit district shall be subject to Sections 99268.3, 99268.4, 99268.5, or 99268.9, as the case may be, and shall be deemed an operator for purposes of those sections, or shall be subject to regional, countywide, or county subarea purposes of those sections, or shall be subject to regional, countywide, or county subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the transportation planning agency or the county transportation commission for those services.

Pursuant to Section 99405, VVTA was granted a fare ratio requirement of 18-percent by SBCTA in September 2017; however, these requirements have been waived as a result of the ongoing COVID-19 pandemic. This waiver, in line with Section 99268.9 of the Public Utilities Code, will remain in effect until the end of the 2023-24 fiscal year, with the provisions set to become inoperative on January 1, 2025.

The fare ratio as of June 30, 2024, is calculated as follows:

	Motor Bus Routes	Handicapped Demand Response	Total
Operating expenses including interest expenses	\$ 39,910,635	\$ 6,054,543	\$ 45,965,178
Less: depreciation and amortization	(6,602,892)	(548,284)	(7,151,176)
Less: exemptions	(4,290,285)	-	(4,290,285)
Adjusted operating expenses	\$ 29,017,458	\$ 5,506,259	\$ 34,523,717
 Fare revenue	 \$ 2,102,829	 \$ 429,708	 \$ 2,532,537
Fare ratio	7.2%	7.8%	7.3%
Local funds used by the operator to supplement fare box revenues to satisfy the 10% fare ratio as permitted by Section 99268.19:			-
Measure I	1,306,087	435,362	1,741,449
CNG stations sales	1,213,413	-	1,213,413
RINS credits	605,263	-	605,263
Interest income	1,547,933	-	1,547,933
Adjusted fare revenue	\$ 6,775,525	\$ 865,070	\$ 7,640,595
 Adjusted fare ratio	 23%	 16%	 22%
Total fare ratio requirements pursuant to PUC Sections 99405(c) and 99268.4	18%	10%	18%

NOTE 4 FEDERAL, STATE, AND LOCAL GRANTS (CONTINUED)

Transportation Development Act (Continued)

B. Sections 99268.4 and 99405 (Continued)

Proposition 1B

The Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Fund and the California Transit Assistance Fund (CTAF) are a part of the State of California's Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Bond Act), approved by California voters as Proposition 1B on November 7, 2006. A total of \$19.9 billion was deposited into the Proposition 1B fund, \$3.6 billion of which was made available to project sponsors in California for allocation to eligible public transportation projects over a 10-year period. Proposition 1B funds can be used for rehabilitation, safety, security, disaster response, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or for rolling stock procurement, rehabilitation, or replacement.

Proposition 1B activity during the year ended June 30, 2024, was as follows:

	<u>PTMISEA</u>
Unspent Proposition 1B funds as of July 1, 2023	\$ 382,910
Proposition 1B funds interest earned	15,357
Proposition 1B expenses incurred	-
Unearned balance, June 30, 2024	\$ 398,267

Low Carbon Transit Operations Program

The Low Carbon Transit Operations Program (LCTOP) provides funds for approved projects to support new or expanded bus or rail services and 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. LCTOP activity during the year ended June 30, 2024, was as follows:

	<u>LCTOP</u>
Unspent LCTOP as of July 1, 2023	\$ 1,469,317
LCTOP funds received	1,243,888
LCTOP funds interest earned	88,914
LCTOP expenses incurred	(20,076)
Unearned balance, June 30, 2024	\$ 2,782,043

NOTE 4 FEDERAL, STATE, AND LOCAL GRANTS (CONTINUED)

Transportation Development Act (Continued)

B. Sections 99268.4 and 99405 (Continued)

State of Good Repair

The State of Good Repair (SGR) program is a part of the Road Repair and Accountability Act of 2017, Senate Bill (SB) 1, signed by the Governor on April 28, 2017, in order to provide additional revenues for transit infrastructure repair and services improvements.

These funds are to be made available for eligible transit maintenance, rehabilitation and capital projects. SGR activities during the year ended June 30, 2024, were as follows:

	SGR
Unspent SGR funds as of July 1, 2023	\$ 1,143,315
SGR funds received	753,998
SGR funds interest earned	46,093
SGR expenses incurred	(670,953)
Unearned balance, June 30, 2024	\$ 1,272,453

NOTE 5 CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

Cash and cash equivalents*	\$ 32,765,226
Cash and investments with fiscal agent - restricted	3,120,918
Cash and investments - Board reserved	5,389,278
Total	\$ 41,275,422

*Cash balance includes \$398,268 of unspent Proposition 1B grant funds which are restricted for specific capital projects and are not available for operating expenses or liabilities related to operating costs.

Cash and investments consist of the following:

Deposits with financial institutions	\$ 38,154,504
Cash and cash equivalents held with fiscal agent	3,120,918
Total	\$ 41,275,422

NOTE 5 CASH AND INVESTMENTS (CONTINUED)

Policies and Practices

VVTA is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies; certificates of participation; obligations with first priority security; and collateralized mortgage obligations as specified in Section 53600. VVTA does not have a formal policy for investments that is more restrictive than the noted Government Code.

Investments of cash within the new facility projects and accompanying funds held by the bond trustee is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code.

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. VVTA does not have a formal policy related to its investments interest rate risk.

Information about the sensitivity of the fair value of VVTA's investments to market interest rate fluctuations is provided in the following table that shows the distribution of VVTA's investment by maturity as of June 30, 2024.

Investment Type	Total	Remaining Maturity (in Months)
		12 Month or Less
Money market fund	\$ 3,120,918	\$ 3,120,918
Total	\$ 3,120,918	\$ 3,120,918

Credit Risk

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. Holdings held by the trustee are insured by the trust agreement. VVTA's investments are in money market funds, which are typically diversified and carry lower credit risk compared to individual securities. These funds are not separately rated but are managed to maintain a high credit quality. VVTA does not have a formal policy related to its investments credit risk.

NOTE 5 CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, VVTA will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. VVTA does not have a policy of custodial credit risk for deposits. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by State or local government units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

Fair Value Hierarchy

VVTA categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America.

VVTA has the following recurring fair value measurements as of June 30, 2024:

		<u>Fair Value Measurements at Reporting Date Using:</u>		
		<u>Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
June 30, 2024	Fair Value			
Money market fund	\$ 3,120,918	\$ 3,120,918	\$ -	\$ -
Total	\$ 3,120,918	\$ 3,120,918	\$ -	\$ -

Victor Valley Transit Authority
Notes to the Basic Financial Statements
Year Ended June 30, 2024

NOTE 6 CAPITAL ASSETS

A summary of capital asset activity for the year ended June 30, 2024, is as follows:

	Balance June 30, 2023	Transfers	Additions	Retirements/ Adjustments	Balance June 30, 2024
Capital assets, not being depreciated					
Land - Hesperia facility	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000
Land - Barstow facility	193,350	-	-	-	193,350
Land - Parking and office	237,400	-	-	-	237,400
Land - Hydrogen station	172,030	-	-	-	172,030
Land - 10 acres - Hesperia	1,160,054	-	-	-	1,160,054
Construction in progress	557,066	(420,062)	687,046	-	824,050
Total capital assets, not being depreciated	3,819,900	(420,062)	687,046	-	4,086,884
Capital assets, being depreciated					
Facilities	66,105,800	308,843	1,095,280	(3,000)	67,506,923
Operations equipment	62,030,188	-	7,543,762	(2,581,813)	66,992,137
Furniture and office equipment	2,269,054	-	70,468	(26,803)	2,312,719
Total capital assets being depreciated	130,405,042	308,843	8,709,510	(2,611,616)	136,811,779
Less accumulated depreciation					
Facilities	(14,888,436)	-	(1,855,045)	3,000	(16,740,481)
Operations equipment	(30,550,093)	-	(4,967,283)	2,581,813	(32,935,563)
Furniture and office equipment	(3,498,618)	-	(184,833)	26,803	(3,656,648)
Total accumulated depreciation	(48,937,147)	-	(7,007,161)	2,611,616	(53,332,692)
Net depreciable assets	81,467,895	308,843	1,702,349	-	83,479,087
Right-to-use leased assets being amortized					
Right-to-use leased assets	185,321	-	(5,079)	-	180,242
Total right-to-use leased asset being amortized	185,321	-	(5,079)	-	180,242
Less accumulated amortization for					
Right-to-use leased asset	(64,862)	-	(34,271)	-	(99,133)
Total accumulated amortization	(64,862)	-	(34,271)	-	(99,133)
Net right-to-use leased assets	120,459	-	(39,350)	-	81,109
Right-to-use IT assets being amortized					
SBITA asset	-	111,219	219,301	-	330,520
Total right-to-use IT asset being amortized	-	111,219	219,301	-	330,520
Less accumulated amortization for					
SBITA asset	-	-	(104,665)	-	(104,665)
Total accumulated amortization	-	-	(104,665)	-	(104,665)
Net SBITA asset	-	111,219	114,636	-	225,855
Total capital assets, net \$	85,408,254	\$ -	\$ 2,464,681	\$ -	\$ 87,872,935

Depreciation and amortization for the year ended June 30, 2024, was \$7,151,176.

NOTE 7 RISK MANAGEMENT

VVTA is a member of the Public Entity Risk Management Authority (PERMA), a joint powers insurance authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. PERMA is comprised of thirty-two participating member agencies: twenty-two cities, four transit agencies, and six special districts. VVTA participates in the general liability, property, and business auto physical damage programs of PERMA.

The liability program provides coverage up to \$50 million per occurrence for personal injury, bodily injury, property damage, and public officials' errors and omissions. VVTA participates in risk sharing pools for losses of up to \$1 million followed by PERMA's membership in Public Risk Innovation, Solutions, and Management (PRISM) for \$49 million excess liability coverage.

The property insurance program is group purchased under a master property insurance policy with accumulated values from all participants effecting lower rates and broader coverage for members. The program covers real property, business personal property, inland marine coverage for special mobile equipment, and business interruption. Commercial property coverage is written on a replacement cost basis, eliminating the traditional commercial "named peril" policy.

Additionally, VVTA benefits from a range of specialized insurance programs. These include an Employment Practices Liability Program with a coverage limit of \$1,000,000 and a member retention of \$25,000, and a Business Auto Physical Damage Program with coverage up to \$10,000,000 and a member deductible of \$5,000. The Crime Coverage Program, managed by National Union Fire Insurance Company, safeguards against various risks such as employee theft and fraud up to \$1,000,000, subject to a deductible of \$2,500 per occurrence. Cybersecurity risks are addressed through a Cyber Liability Program, providing up to \$12,000,000 in coverage with a deductible of \$2,500 per claim. Lastly, the Alliant Deadly Weapon Response Program offers a coverage limit of \$500,000 with a \$10,000 deductible per event.

Over the previous three years, VVTA has not encountered any settlements exceeding these coverage limits, and there have been no significant changes in either the insurance policies or the coverage amounts during this period.

NOTE 8 COMMITMENTS

VVTA has entered into a 5-year contract with Keolis Transit Services for operational services, which encompass Fixed Routes, Demand Response, commuter routes for Fort Irwin, and County connector routes. This contract is scheduled to expire on September 30, 2025. For the fiscal year ended June 30, 2024, the total expenses recognized under this contract amounted to \$23,135,952.

The following schedule outlines the future expenses VVTA has committed to under this agreement:

<u>Year Ending June 30</u>	<u>Amount</u>
2025	\$ 28,023,600
2026	7,052,630
Total \$	<u>35,076,230</u>

VVTA currently contracts through ADA Ride for its ADA eligibility certification process. This contract provides ADA certifications for all disabled transit riders seeking transportation services within ADA guidelines. The current contract was established in 2008 and was renewed on July 20, 2015, for a three-year period plus two one-year extension periods that are added by mutual agreement of the parties.

The contract was renewed from August 1, 2023, to July 30, 2025, with two 1-year options for extension. The maximum cost under this agreement is \$400,000 during the contract term, based on services provided each year.

During the year ended June 30, 2024, VVTA paid \$43,950 under this contract.

NOTE 9 LONG-TERM LIABILITIES

The following is a summary of the changes in the balance of long-term liabilities for the year ended June 30, 2024.

	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>	<u>Due Within One Year</u>	<u>Due Beyond One Year</u>
Governmental activities						
2016 Refunding Certificates of Participation	\$ 17,575,000	\$ -	\$ (750,000)	\$ 16,825,000	\$ 785,000	\$ 16,040,000
Premium on 2016 Certificates of Participation	2,204,889	-	(146,993)	2,057,896	146,993	1,910,903
2018 Certificates of Participation	9,565,000	-	(225,000)	9,340,000	235,000	9,105,000
Premium on 2018 Certificates of Participation	372,691	-	(14,336)	358,355	14,336	344,019
Leases	127,489	-	(48,360)	79,129	38,136	40,993
Compensated absences	150,055	31,834	-	181,889	181,889	-
Net pension liability (asset)	408,716	174,163	-	582,879	-	582,879
SBITA liability	-	229,862	(49,802)	180,060	52,339	127,721
Total long-term liabilities	\$ 30,403,840	\$ 435,859	\$ (1,234,491)	\$ 29,605,208	\$ 1,453,693	\$ 28,151,515

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Certificates of Participation – 2016

In July 2016, VVTA issued Certificates of Participation, series 2016, valued at \$23,300,000, to refund the 2007 Lease/Trust Agreement Certificates of Participation with an outstanding principal of \$31,375,000. The funds raised from this issuance were used to continue financing the construction of a transit facility in Hesperia, California, and to cover the delivery costs of the certificates. As a result of this advance refunding, a deferred outflow of resources of \$1,278,370 was recognized, to be amortized over the life of the new debt. The refinancing transaction resulted in substantial economic benefits, yielding a present value of savings from the cash flow calculated at \$10,479,681. After adjusting for prior funds on hand of \$9,267,645, the economic gain was \$1,212,036. The terms for the repayment of the principal and interest on these certificates are set on a semi-annual basis, beginning from July 1, 2016, with the interest rates ranging from 2.00% to 5.00%. Principal payments are scheduled annually every July 1, in varying amounts ranging from \$675,000 to \$4,335,000, with the final principal payment set for July 1, 2037.

To secure this issuance, VVTA has pledged its farebox revenues as collateral against the debt. The farebox revenues, pledged in the approximate amount equivalent to the remaining debt service, will be dedicated to servicing this debt through its maturity in 2037. For the fiscal year 2024, VVTA generated \$2,532,537 in farebox revenues. Of this revenue, VVTA allocated a total of \$1,542,050 to service the certificates' debt, with \$750,000 covering principal repayments and \$792,050 applied to interest payments. This allocation represents approximately 60.9% of the annual farebox revenue being directed towards debt service for the year.

The debt service payments were arranged to be fulfilled using all legally available revenues, including farebox revenues, Federal Transit Assistance Funds, Local Transportation Funds, and State Transit Assistance Funds.

The future debt service payment requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2025	\$ 785,000	\$ 754,550	\$ 1,539,550
2026	825,000	715,300	1,540,300
2027	865,000	674,050	1,539,050
2028	910,000	630,800	1,540,800
2029-2033	5,265,000	2,426,250	7,691,250
2034-2037	8,175,000	910,450	9,085,450
Total \$	\$ 16,825,000	\$ 6,111,400	\$ 22,936,400

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Certificates of Participation – 2018

In 2018, VVTA sold Certificates of Participation in the par amount of \$10,475,000 to finance the construction of a new Bus Maintenance Facility on its property in Barstow, California. The debt payment schedule is set for thirty (30) years ending in 2048 with an average annual debt service payment of \$640,000. The total amount of debt payments will be \$18,163,050. In accordance with GASB Statement No. 48, VVTA has pledged its farebox revenues as collateral against the debt. The farebox revenues, pledged in the approximate amount equivalent to the remaining debt service, will be dedicated to servicing this debt through its maturity in 2048. For the fiscal year 2024, VVTA generated \$2,532,537 in farebox revenues. Of this revenue, VVTA allocated a total of \$643,150 to service the certificates' debt, with \$225,000 covering principal repayments and \$418,150 applied to interest payments. This allocation represents approximately 25.4% of the annual farebox revenue being directed towards debt service for the year. In the event of default by VVTA under the Lease/Trust agreement, BNY Mellon (the Trustee) has the right to exercise any remedy available under law or equity, including declaring all principal components of the unpaid lease payments, together with accrued interest at the rate or rates specified in the respective outstanding certificates from the immediately preceding certificate payment date on which payment was made, to be immediately due and payable.

Certificates began maturing on July 1, 2019, with semi-annual interest payments due January 1 and July 1 at various interest rates from 4.00 to 5.00 percent. Principal payments are due annually, on July 1, at various amounts from \$200,000 to \$615,000. The final principal payment of the certificates is scheduled for July 1, 2048.

The future debt service payment requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2025	\$ 235,000	\$ 406,900	\$ 641,900
2026	245,000	395,150	640,150
2027	260,000	382,900	642,900
2028	270,000	369,900	639,900
2029-2033	1,575,000	1,632,000	3,207,000
2034-2038	1,560,000	1,226,250	2,786,250
2039-2043	2,345,000	858,400	3,203,400
2044-2048	2,850,000	350,800	3,200,800
Total \$	\$ 9,340,000	\$ 5,622,300	\$ 14,962,300

NOTE 10 LEASES

Lessor Activities

VVTA has two leasing arrangements as a lessor, including a sub-lease with Greyhound Line, Inc., for office space at the Victor Valley Transportation Center, and with Vegan Vato for a restaurant space. The lease terms are 48 to 60 months, including the noncancelable period of the lease and extensions VVTA is reasonably certain to exercise. The lease payments vary, ranging from \$700 to \$1,500 per month, depending on the specific agreement and period within the lease term. The remaining receivable for these leases was \$57,176 for the year ended June 30, 2024. Deferred inflows of resources related to these leases were \$49,600 as of June 30, 2024. Interest revenue recognized on these leases was \$3,232 for the year ended June 30, 2024. Principal receipts of \$29,124 were recognized during the year. The interest rate on the leases was 5.15%. The final receipt is expected in fiscal year 2027.

The remaining principal and interest payments on leases are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 31,180	\$ 2,093
2026	20,851	664
2027	5,145	33
Total \$	<u>57,176</u>	<u>\$ 2,790</u>

Lessee Activities

VVTA as a lessee, has entered into a land lease agreement initiated in October 2021, spanning a 60-month term. The lease commenced with a monthly payment of \$3,365, with an annual increment of 2.0% slated for each subsequent anniversary of the lease commencement date, extending through to September 2026. A 5.0% discount is applied on the applicable monthly rent upon prepayment of the year's rent.

Reflective of the terms and conditions of the lease, the liability was assessed using VVTA's incremental borrowing rate of 5.15%. As of June 30, 2024, with 27 months remaining on the lease term, VVTA's monthly lease payments are \$3,500 per month.

At June 30, 2024, the lease liability of VVTA related to this agreement amounted to \$79,129. During the year, VVTA recorded \$36,048 in amortization expense and \$1,333 in interest expense for the right-to-use the land.

The remaining obligations associated with these leases are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 38,136	\$ 2,573
2026	40,993	530
Total \$	<u>79,129</u>	<u>\$ 3,103</u>

NOTE 11 SBITA LIABILITY

During the fiscal year ended June 30, 2024 VVTA entered into IT software subscription agreements with Oracle America, Inc. with a three-year fixed term, with the option to renew for one year twice. Subscription payable is measured at the present value of the subscription payments expected to be made during the subscription term. The annual interest rate used is equivalent to VVTA's incremental borrowing rate of 5% for fiscal year 2024. VVTA reported a total payment of \$150,460 on IT software subscriptions for the fiscal year ended June 30, 2024. The SBITA liability as of June 30, 2024, amounts to \$180,060.

	Balance July 1, 2024	Additions	Payments	Balance June 30, 2024
SBITA liability				
Oracle America, Inc.	\$ -	\$ 229,862	\$ (49,802)	\$ 180,060
Less current	-	-	-	(52,339)
Total non current	<u>\$ -</u>	<u>\$ 229,862</u>	<u>\$ (49,802)</u>	<u>\$ 127,721</u>

The future minimum subscription obligations as of June 30, 2024, are as follows:

Year Ending June 30	Principal	Interest	Total
2025	\$ 52,339	\$ 7,286	\$ 59,625
2026	55,006	4,620	59,626
2027	57,808	1,818	59,626
2028	14,907	-	14,907
Total	<u>\$ 180,060</u>	<u>\$ 13,724</u>	<u>\$ 193,784</u>

NOTE 12 COMPENSATED ABSENCES

Accumulated unpaid personal leave, consisting of vacation pay, has been accrued at June 30, 2024, in the amount of \$181,889. VVTA's liability for compensated absences is typically liquidated within one year. Compensated absences at the beginning of the year were \$150,055, with \$31,834 accrued by employees during the year. VVTA reports the entire balance within current liabilities, as it expects employees to use it annually.

NOTE 13 EMPLOYEE'S RETIREMENT PLAN

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the CalPERS. The Plan consists of individual rate plans (benefit tiers) within a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools.

Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. VVTA sponsors two tiers within the miscellaneous plans. Benefit provisions under the Plan are established by State statute and local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website at www.calpers.ca.gov. Eligible employees hired after January 1, 2013, that are considered new members as defined by the Public Employees' Pension Reform Act (PEPRA) are participating in the PEPRA Miscellaneous Plan.

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost of living adjustments (COLA), and death benefits to Plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service. Members with five years of total service are eligible to retire at age 55, or 62 if in the PEPRA Miscellaneous Plan, with statutorily reduced benefits. An optional benefit regarding sick leave was adopted. All members are eligible for non-duty disability benefits after 10 years of service. The system also provides for the Optional Settlement 2W Death Benefit. The COLAs for the Plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous	
	Classic	New Member
	Prior to	On or after
	January 1, 2013	January 1, 2013
Hire date		
Benefit formula	2.7%@55	2%@62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	55	62
Monthly benefits, as a percentage of annual salary	2.70%	2%
Required employee contribution rates	8%	7.75%
Required employer contribution rates	15.17%	7.68%

NOTE 13 EMPLOYEE'S RETIREMENT PLAN (CONTINUED)

Employees Covered

At June 30, 2024, the following employees were covered by the benefit terms of the Plan:

	2024
Inactive employees or beneficiaries currently receiving benefits	4
Inactive employees entitled to but not yet receiving benefits	-
Active employees	33
Total	37

Contributions

Section 20814(c) of the California Public Employees' Retirement law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following the notice of change in rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. VVTA is required to contribute the difference between the actuarially determined rate and the contribution rates of employees.

For the year ended June 30, 2024, VVTA recognized contributions as part of pension expense for the Plan as follows:

	2024
Miscellaneous Classic	\$ 79,443
Miscellaneous PEPRA	154,088
	\$ 233,531

Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, VVTA reported a liability of \$582,879 for its proportionate share of the collective net pension liability.

VVTA's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023. VVTA's net pension liability for the Plan was measured as the total pension liability, less the pension plan's fiduciary net position.

NOTE 13 EMPLOYEE'S RETIREMENT PLAN (CONTINUED)

Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

VVTA's proportionate share of the net pension liability, measured as of June 30, 2023 and 2022, is as follows:

Proportion - June 30, 2022	0.00873%
Proportion - June 30, 2023	0.01166%
Change - Increase/(Decrease)	<u>0.00293%</u>

For the year ended June 30, 2024, VVTA recognized pension expense of \$771,336. At June 30, 2024, VVTA 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
Changes of assumptions	\$ 35,191	\$ -
Differences between expected and actual experience	29,777	4,619
Net differences between projected and actual earnings on pension plan investments	94,373	-
Difference between VVTA's contributions and proportionate share of contributions	39,436	-
Change in employer's proportion	67,271	4,475
Contributions subsequent to the measurement date	233,531	-
Total \$	<u>499,579</u>	<u>\$ 9,094</u>

The amount of \$233,531 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	Amount
2025	\$ 85,753
2026	69,006
2027	99,458
2028	2,707
Total \$	<u>256,924</u>

Payable to the Pension Plan

At June 30, 2024, VVTA reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

NOTE 13 EMPLOYEE'S RETIREMENT PLAN (CONTINUED)

Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions

The June 30, 2022 actuarial valuation was rolled forward to determine the June 30, 2023 total pension liability, based on the following actuarial methods and assumptions:

Reporting date	June 30, 2024	
Measurement date	June 30, 2023	
Valuation date	June 30, 2022	
Actuarial cost method	Entry Age Normal	
Actuarial assumptions:		
Discount rate	6.90%	
Inflation	2.30%	
Projected salary increase	Varies by entry age and service	(1)
Investment rate of return	6.90%	(2)
Mortality	Derived using CalPERS' membership data	(3)
Post retirement benefit increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter	

(1) Depending on age, service, and type of employment.

(2) Net of pension plan investment and administrative expenses, including inflation.

(3) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Preretirement and post retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

Long-Term Expected Rate of Return

In determining the expected long-term rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

NOTE 13 EMPLOYEE'S RETIREMENT PLAN (CONTINUED)

Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions (Continued)

Asset Class^(a)	Target Allocation	Real Rate of Return Years 1 - 10^(b)
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

(a) An expected inflation of 2.30% used for this period.

(b) Figures are based on the 2021 Asset Liability Management Study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that VVTA's contributions will be made at rates equal to the difference between actuarially determined contribution rates and employee rates. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

NOTE 13 EMPLOYEE'S RETIREMENT PLAN (CONTINUED)

Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

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

The following presents VVTA's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what VVTA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Discount Rate - 1% (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>Discount Rate + 1% (7.90%)</u>
VVTA's proportionate share of the net pension liability (asset):			
Agent Multiple-Employer Plan	\$ 1,219,733	\$ 582,879	\$ 58,694

Pension Plan Fiduciary Net Position

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

NOTE 14 DEFERRED COMPENSATION PLAN

VVTA offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The plan, available to all non-represented VVTA employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

VVTA has adopted the provisions of GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code 457 Deferred Compensation Plans*. Management believes that VVTA has no fiduciary role under the plan, and plan funds are not available to VVTA's general creditors. Accordingly, VVTA has not reported plan assets in the accompanying financial statements.

NOTE 15 SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 30, 2024, which is the date these financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Victor Valley Transit Authority
Schedule of VVTA's Proportionate Share of the Net Pension Liability
Last Ten Years
Year Ended June 30, 2024

Measurement Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Reporting Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Proportion of the collective net pension liability (asset)	0.01166%	0.00873%	-0.00265%	0.00244%	0.00204%
Proportionate share of the collective net pension liability (asset)	\$ 582,879	\$ 408,716	\$ (143,469)	\$ 265,609	\$ 208,643
Covered payroll	\$ 2,511,111	\$ 1,910,495	\$ 1,854,850	\$ 1,800,825	\$ 1,800,825
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	23.21%	21.39%	-7.73%	14.75%	11.59%
Plan fiduciary net position as a percentage of the total pension liability	87.62%	78.19%	90.49%	77.71%	77.73%

Measurement Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Reporting Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Proportion of the collective net pension liability (asset)	0.00169%	0.00181%	0.00159%	0.01770%	0.00244%
Proportionate share of the collective net pension liability (asset)	\$ 162,489	\$ 179,958	\$ 137,916	\$ 121,552	\$ 151,936
Covered payroll	\$ 1,517,121	\$ 1,253,046	\$ 1,039,065	\$ 902,643	\$ 902,643
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	10.71%	14.36%	13.27%	13.47%	16.83%
Plan fiduciary net position as a percentage of the total pension liability	77.69%	73.31%	74.06%	78.40%	79.82%

Changes of Assumptions

The discount rate changed from 7.5 percent used for the June 30, 2014 measurement date to 7.65 percent used for the June 30, 2015 measurement date.

The discount rate changed from 7.65 percent used for the June 30, 2016 measurement date to 7.15 percent used for the June 30, 2017 measurement date.

The discount rate changed from 7.15 percent used for the June 30, 2017 measurement date to 6.90 percent used for the June 30, 2022 measurement date.

Victor Valley Transit Authority
Schedule of Pension Plan Contributions
Last Ten Years
Year Ended June 30, 2024

Reporting Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Actuarially determined contributions	\$ 233,531	\$ 214,213	\$ 231,346	\$ 213,449	\$ 156,614
Contributions in relation to the actuarially determined contributions	(233,531)	(214,213)	(231,346)	(213,449)	(156,614)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,491,435	\$ 2,511,111	\$ 1,910,495	\$ 1,854,850	\$ 1,800,825
Contributions as a percentage of covered payroll	9.37%	8.53%	12%	11.51%	8.70%

Reporting Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contributions	\$ 166,440	\$ 137,899	\$ 118,569	\$ 97,561	\$ 142,248
Contributions in relation to the actuarially determined contributions	(166,440)	(137,899)	(118,569)	(97,561)	(142,248)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,800,825	\$ 1,517,121	\$ 1,253,046	\$ 1,039,065	\$ 902,643
Contributions as a percentage of covered payroll	9.24%	9.09%	9.46%	9.39%	15.76%



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**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***

**The Board of Directors
Victory Valley Authority**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Victor Valley Transit Authority (VVTA), as of and for the year ended June 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated December 30, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered VVTA'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of VVTA's internal control. Accordingly, we do not express an opinion on the effectiveness of VVTA'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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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



Report on Compliance and Other Matters

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

Purpose of This Report

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

**Glendale, California
December 30, 2024**

COMPLIANCE SECTION



Independent Auditor's Report on State Compliance

The Board of Directors
Victor Valley Transit Authority

Report on Compliance with Transportation Development Act Requirements

Opinion

We have audited the Victor Valley Authority's (VVTA) compliance with Transportation Development Act (TDA) requirements that funds allocated to and received by VVTA were expended in conformance with applicable statutes, rules, and regulations of the TDA and the allocation instructions and resolutions of the San Bernardino County Association of Governments as required by Section 6667 of Title 21, Division 3, Chapter 2, Article 5.5 of the California Code of Regulations for the year ended June 30, 2024.

In our opinion, VVTA complied, in all material respects, with the compliance requirements referred to above that are applicable to VVTA for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with the 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 requirement of the TDA regulations. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of VVTA 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 with the TDA compliance requirements. Our audit does not provide a legal determination of VVTA's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for VVTA's compliance with the TDA and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, provisions of contracts or agreements applicable to the TDA.



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 VVTA'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 Guidelines 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 VVTA's compliance with the requirements of the TDA regulations as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the TDA regulations, 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 VVTA'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 VVTA'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 TDA regulations, but not for the purpose of expressing an opinion on the effectiveness of VVTA'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 the TDA regulations 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 the TDA regulations 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 the TDA regulations 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 TDA regulations. Accordingly, this report is not suitable for any other purpose.

Vaughan & Company LLP

Glendale, California
December 30, 2024

Victor Valley Authority
Transportation Development Act Requirements Section 6667
Compliance Matrix
Year ended June 30, 2024

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
1. Claimant was an entity eligible to receive the funds allocated to it.	X				
2. Claimant maintains its accounts and records on an enterprise fund basis and is otherwise in compliance with the uniform system of accounts and records adopted by the State Controller, pursuant to Public Utilities Code Section 99243.	X				
3. Funds received by the claimant pursuant to the TDA were expended in conformance with those sections of the TDA specifying the qualifying purposes, including Public Utilities Code Sections 99262 and 99263 for operators receiving funds under Article 4; Sections 99275, 99275.5, and 99277 for Article 4.5 claimants; Section 99400(c), (d), and (e) for Article 8 claimants for service provided under contract; and Section 99405(d) for transportation services provided by cities and counties with populations of less than 5,000.	X				
4. Funds received by the claimant pursuant to the TDA were expended in conformance with the applicable rules, regulations, and procedures of the transportation planning agency and in compliance with the allocation instructions and resolutions.	X				
5. Interest earned on funds received by the claimant pursuant to the TDA were expended only for those purposes for which the funds were allocated in accordance with Public Utilities Code Sections 99234.1, 99301, 99301.5, and 99301.6.	X				

See independent auditor's report on state compliance.

Victor Valley Authority
Transportation Development Act Requirements Section 6667
Compliance Matrix
Year ended June 30, 2024

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
6. The amount of the claimant's operating cost for the fiscal year, the amount of fare revenues required to meet the ratios specified in Sections 6633.2 and 6633.5, and the amount of the sum of fare revenues and local support required to meet the ratios specified in the Section 6633.2, is verified.	X				
7. The amount of the claimant's actual fare revenues for the fiscal year is verified.	X				
8. The amount of the claimant's actual local support for the fiscal year is verified.	X				
9. The amount the claimant was eligible to receive under the TDA during the fiscal year in accordance with Sections 6634 and 6649 is verified.			X		
10. The amount of the operator's expenditure limitation in accordance with Section 6633.1 is verified.	X				
11. The operator's employee retirement system or private pension plan is in conformance with the provisions of Public Utilities Code Sections 99271, 99272, and 99273	X				
12. The operator has had a certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, as required in Public Utilities Code Section 99251	X				
13. The operator's State Transit Assistance eligibility pursuant to Public Utilities Code Section 99314.6 or 99314.7 is verified.	X				

See independent auditor's report on state compliance.

Victor Valley Authority
Transportation Development Act Requirements Section 6667
Compliance Matrix
Year ended June 30, 2024

Compliance Requirements	In Compliance			Questioned Costs	If no, provide details and management response.
	Yes	No	N/A		
14. The claimant for community transit services is in compliance with Public Utilities Code Sections 99155 and 99155.5.			X		

See independent auditor's report on state compliance.

VICTOR VALLEY TRANSIT

Victor Valley Transit Authority
A Joint Powers Authority
Single Audit Report
Year Ended June 30, 2024
With Independent Auditor's Report



**Victor Valley Transit Authority
A Joint Powers Authority
Single Audit Report
*Year Ended June 30, 2024
with Independent Auditor's Report***

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**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***

**Board of Directors
Victor Valley Transit Authority**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Victor Valley Transit Authority (VVTA), as of and for the year ended June 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated December 30, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered VVTA'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of VVTA's internal control. Accordingly, we do not express an opinion on the effectiveness of VVTA'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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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



Report on Compliance and Other Matters

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

Purpose of This Report

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

**Glendale, California
December 30, 2024**



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**Independent Auditor's Report on Compliance for Each Major Federal Program;
on Internal Control Over Compliance; and on the Schedule of Expenditures
of Federal Awards Required by the Uniform Guidance**

**Board of Directors
Victor Valley Transit Authority**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Victor Valley Transit Authority's (VVTa) 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 VVTa's major federal programs for the year ended June 30, 2024. VVTa'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, VVTa complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2024.

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 VVTa 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 VVTa'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 VVTA'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 VVTA'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 VVTA'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 VVTA'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 VVTA'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 VVTA'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 VVTA as of and for the year ended June 30, 2024, and have issued our report thereon dated December 30, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the 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.

Glendale, California
December 30, 2024

Victor Valley Transit Authority
Schedule of Expenditures of Federal Awards
Year ended June 30, 2024

<u>Federal Grantor/Pass-Through Grantor Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Contract Number</u>	<u>Provided to Subrecipients</u>	<u>Total Federal Expenditures</u>
MAJOR PROGRAM				
<u>U.S. Department of Transportation</u>				
<u>Federal Transit Cluster</u>				
Federal Transit—Formula Grants (Urbanized Area Formula Program)	20.507	CA-2022-049, CA-2023-028, CA-2024-062	\$ -	\$ 12,156,569
Federal Transit—Formula Grants (Urbanized Area Formula Program)	20.507	CA-2022-017, CA-2023-145-01	-	2,662,603
Total Federal Transit Cluster		Total ALN 20.507	-	14,819,172
<u>U.S. Department of Transportation</u>				
<u>Federal Transit Administration</u>				
<i>Passed through from State of California</i>				
<i>Formula Grants for Rural Areas and Tribal Transit Program</i>				
Operating Assistance Section 5311 - ARPA	20.509	SA#64TO21-01890	-	740,100
Operating Assistance Section 5311	20.509		-	985,529
		Total ALN 20.509	-	1,725,629
		Total Major Program	-	16,544,801
NON-MAJOR PROGRAM				
<u>U.S. Department of Transportation</u>				
<u>Federal Transit Administration</u>				
Transit Services Programs Cluster				
Job Access ad Reverse Communit Program	20.516	CA-37-X178	-	5,700
Total Services Programs Cluster		Total ALN 20.516	-	5,700
TOTAL FEDERAL EXPENDITURES			\$ -	\$ 16,550,501

See accompanying notes to schedule of expenditures of federal awards

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Victor Valley Transit Authority (VVTA) under programs of the federal government for the year ended June 30, 2024. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operation of VVTA, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of VVTA.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

VVTA has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 SUBRECIPIENTS

VVTA provided no federal awards to subrecipients for the year ended June 30, 2024.

NOTE 4 RELATIONSHIP OF SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO THE FINANCIAL STATEMENTS

Consistent with management's policy, revenues from both federal and non-federal governmental awards are collectively reported as government grants and contracts revenue in VVTA's financial statements. As a result, the amount of total federal awards expended on the Schedule does not agree to total government grants and contracts revenue on the Statement of Activities as presented in VVTA's financial statements as of and for the year ended June 30, 2024.

**Victor Valley Transit Authority
Schedule of Findings and Questioned Costs
Year ended June 30, 2024**

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? No
- Significant deficiency(ies) identified? None reported

Noncompliance material to the financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Major weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? None

Identification of Major Programs

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.507	Federal Transit Cluster
20.509	Formula Grants for Rural Areas and Tribal Transit Program

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

Auditee qualified as a low-risk auditee? No

**Victor Valley Transit Authority
Schedule of Findings and Questioned Cost
Year ended June 30, 2024**

Section II – Financial Statement Findings

There were no financial statement findings noted during the fiscal year ended June 30, 2024

Section III – Federal Award Findings

There were no federal award findings noted for the year ended June 30, 2024.

There were no federal award findings reported for the fiscal year ended June 30, 2023.



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**AGENDA ITEM
EIGHT**

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VICTOR VALLEY TRANSIT AUTHORITY

AGENDA MATTER

Contract 2020-10 Trillium Energy Services, LLC, Hydrogen Fueling Station Amendment No. 2, for \$1,213,453.33.

SUMMARY STATEMENT

During the August 21, 2023, Board Meeting, the Board approved the contract award to Trillium Energy, Houston, TX for the Design Build of the Hydrogen Fueling Station located on the property just north of the Hesperia Maintenance and Operations Facility. The final contract amount was \$11,907,046.67. Contract 2020-10 was fully executed on November 9, 2023, and the Notice to Proceed was issued on January 10, 2024.

In their proposal, Trillium had proposed using Plug Power as their subcontractor to supply the major equipment needed for the station such as the liquid tank and cryogenic pumps, as well as Hydrogen fuel supply. However, in September 2024, VVTA was notified by Trillium Energy that Plug Power will not execute a contract with Trillium for the equipment price and hydrogen fuel price quoted during the RFP in July 2023. Plug Power's updated equipment pricing represents a substantial increase from the original quote during the RFP, which is contingent upon executing a fuel contract, which also has a substantial price increase. As of November of 2024, Trillium has negotiated equipment and fuel supply from Air Liquide that meets VVTA's original RFP requirements and is found to be fair and reasonable.

Due to the changes in the equipment to be provided, VVTA has received a change order request from Trillium in the amount of \$1,213,453.33. VVTA staff and the contracted Construction Manager have received the change order and determined that the final contract amount of \$13,120,500.00 to be fair and reasonable based on market trends.

To accommodate the delays due to changes in equipment and design, the contract completion date will be extended from November 8, 2025, to July 31, 2026.

Pending approval by SBCTA, the funding source for this change order will be eligible funds from SB 125. While staff have already opened conversations with SBCTA in this regard, the backup plan will use RINS/LCSF credits.

RECOMMENDED ACTION

Approve Contract 2020-10 Trillium Energy Services, LLC, Hydrogen Fueling Station Amendment No. 2, for \$1,213,453.33.

PRESENTED BY	FISCAL IMPACT	MEETING DATE	ITEM NUMBER
Dustin Strandberg Chief Maintenance Officer	\$1,213,453.33	January 21, 2025	8

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**CORRESPONDENCE
/PRESS CLIPS**

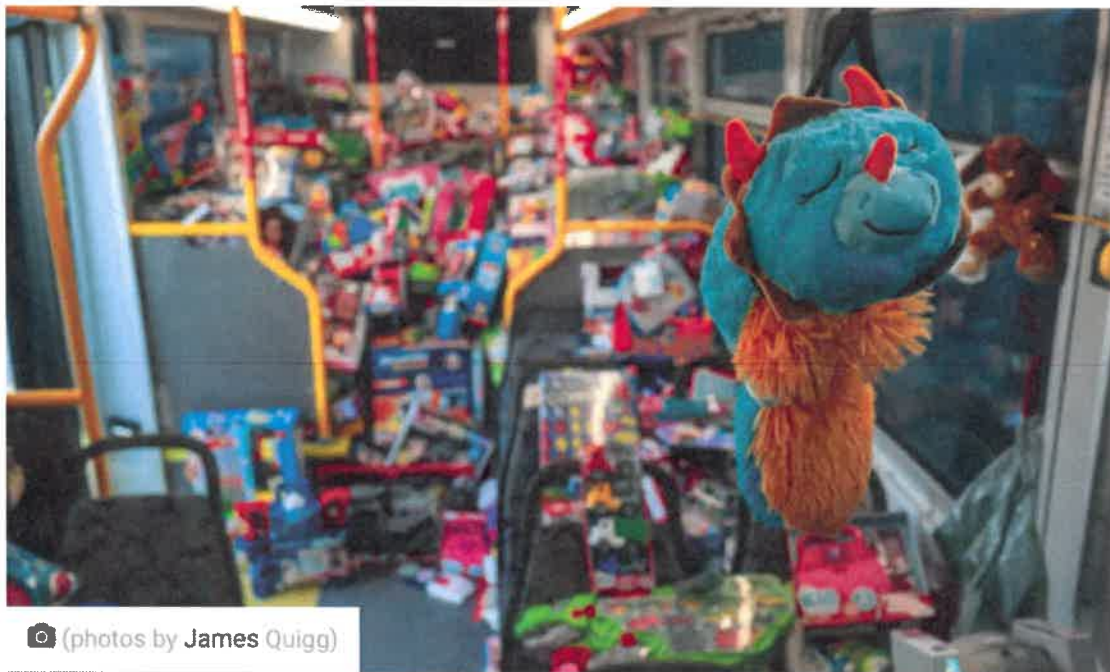
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Stuff the VVTA Bus Returns December 7th and 8th



Victor Valley News Group • November 13, 2024 | 11:38 pm

Last Updated: November 13, 2024 | 11:38 pm



📷 (photos by James Quigg)

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VICTORVILLE, Calif. (VVNG.com) — Victor Valley Transit is excited to announce our annual “Stuff the VVTA Bus” holiday event in partnership with the Rescue Mission Alliance Victor Valley!

This year’s event will take place on December 7th and 8th, 2024, from 8am – 5pm at all five Walmart locations across the Victor Valley including:

11896 Amargosa Rd in Victorville, 12234 Palmdale Road in Victorville, 20251 Hwy 18 in Apple Valley, 301 Montara Rd in Barstow and 13401 Main St in Hesperia.

We invite the community to help ensure every child in the High Desert has a gift to open this holiday season by donating new, unwrapped toys for children aged 0-17. Our goal is to “Stuff the Bus” and bring holiday cheer to as many families as possible. Together, let’s make this season a bit brighter for everyone.

We hope to see you there and look forward to spreading holiday joy with the support of our generous community.



Stuff the VVTA Bus!

December 7 & 8, 2024 • 8am - 5pm
High Desert Walmart Locations!

Walmart 

11896 Amargosa Rd Victorville • 13401 Main St Hesperia
20251 Hwy 18, Apple Valley • 301 Montara Rd, Barstow
12234 Palmdale Rd, Victorville

Bring a New, Unwrapped Toy and Stuff the Bus!

DONATE LOCAL...STAYS LOCAL
 All toys collected will be distributed to local children.
 More Information
facebook.com/VVRescueMission

A Partnership Between

Rescue Mission ALLIANCE  **Victor Valley**

VICTOR VALLEY TRANSIT 

FREE VVTA GIFT TO THE FIRST 200 CHILDREN WHO DONATE A TOY!

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