

San Rafael, California

A Component Unit of the County of Marin, California

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Years Ended June 30, 2023 and 2022



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

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

PREPARED BY THE FINANCE DEPARTMENT



ANNUAL COMPREHENSIVE FINANCIAL REPORT For the Year Ended June 30, 2023

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711 Grand Ave, #110 San Rafael, CA 94901 ph: 415.226.0855 marintransit.org December 4, 2023

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

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Supervisor District 2

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Vice President
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2nd Vice President Supervisor District 5

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Stephanie Moulton-Peters

Director
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Director Supervisor District 4

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Director City of San Rafael

Fred Casissa

Alternate

Town of Corte Madera

Dear Board Members:

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

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

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

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

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



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

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

PROFILE OF THE GOVERNMENT

History

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

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

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



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

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

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

SERVICES

Fixed Route

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

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

Local Trunkline

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

Operational Focus: Capacity, frequency, and speed.



Routes: 35, 36, 71

Program: Local Bus

Typical Vehicle: 40' heavy duty

Local Basic

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

Operational Focus: Frequency, accessibility, and speed.

• Routes: 17, 22, 23, 29, 49, 57

Program: Local Bus

Typical Vehicle: 30', 35' or 40' heavy duty

Local Connector

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

Operational Focus: Accessibility.

Routes: 219, 228, 233, 245

Program: Community Shuttles

Typical Vehicle: 24' cutaways

Supplemental School

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

Operational Focus: Capacity.

Routes: 613, 619, 625, 654

Program: Local Bus

Typical Vehicle: 35' or 40' heavy duty

Limited services were provided during the COVID-19 pandemic



Rural

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

Operational Focus: Accessibility.

Routes: 61, 68

Program: Rural and Recreational

Typical Vehicle: 24' cutaways or 30' or 35' heavy duty

Recreational

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

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

Yellow Bus

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

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

Demand Response

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



LOCAL ECONOMY

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

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

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

LONG TERM PLANNING AND MAJOR INITIATIVES

Short Range Transit Plan

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

Operating Plan

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



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

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

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

Capital Plan

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

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

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



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

RELEVANT FINANCIAL POLICIES

Budget Process

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

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

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

Reserve Policy

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



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

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

AWARDS AND ACKNOWLEDGEMENTS

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

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

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

Respectfully Submitted,

Mancy E. Tehelan

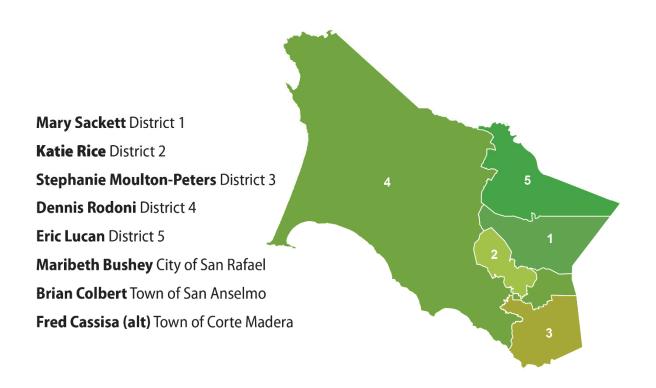
Nancy Whelan

General Manager

Lauren Gradia

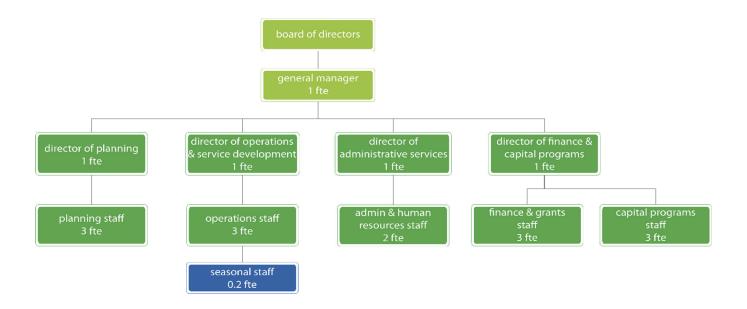
Director of Finance and Capital Programs

MARIN COUNTY TRANSIT DISTRICT INTRODUCTORY SECTION PRINCIPAL OFFICIALS



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

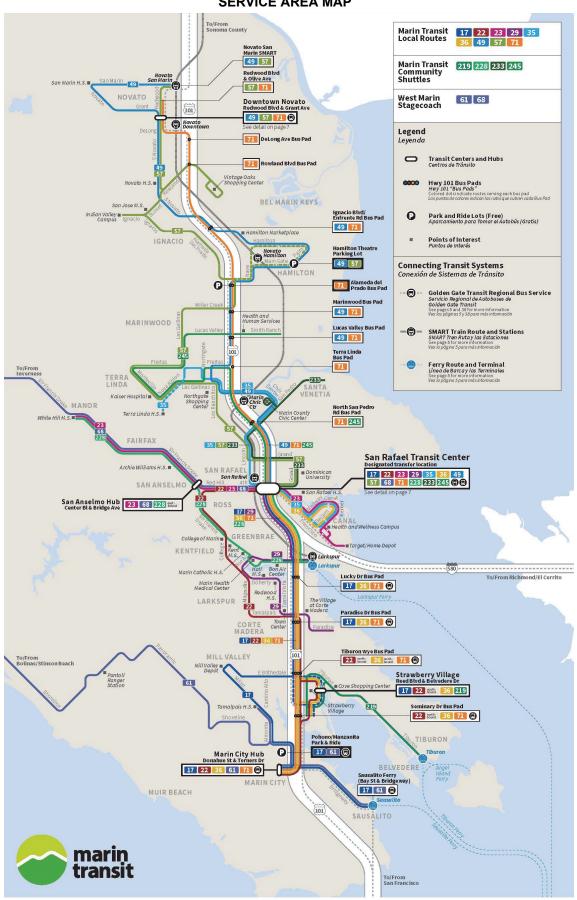
MARIN COUNTY TRANSIT DISTRICT INTRODUCTORY SECTION ORGANIZATIONAL CHART



Note:

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

SERVICE AREA MAP





Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Marin County Transit District California

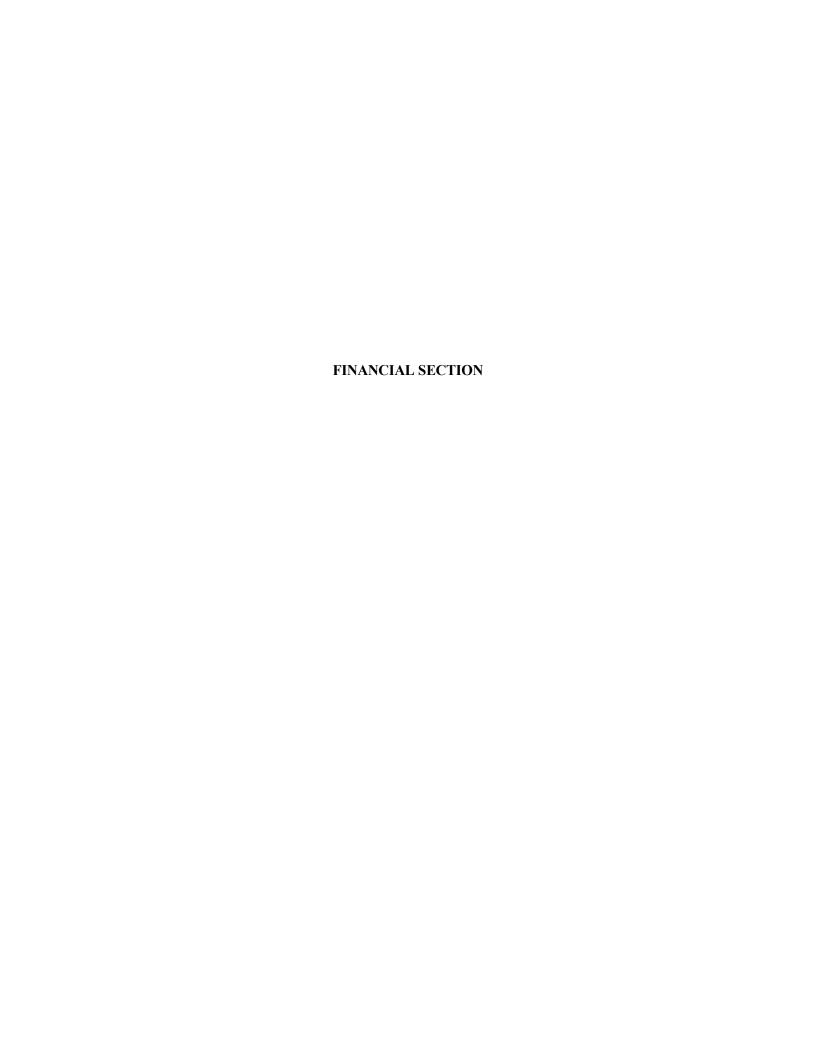
For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO









INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and fiduciary fund of the Marin County Transit District (District), a component unit of the County of Marin, California, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

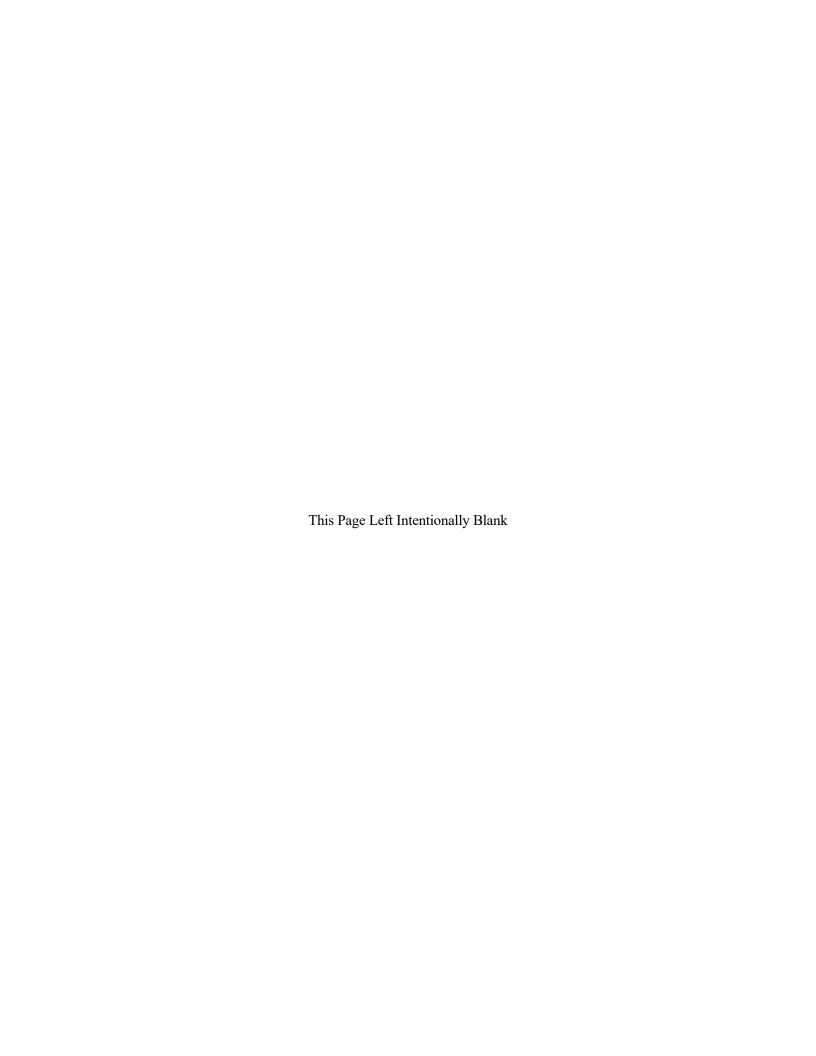
In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

Mare + Associates

The financial statements of the District as of and for the year ended June 20, 2022, were audited by other auditors whose reported dated November 17, 2022, expressed an unmodified opinion on those statements.

Pleasant Hill, California November 6, 2023



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

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

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities at June 30, 2023 and 2022, by \$84,935,953 and \$81,958,592 (net position), respectively. Of this amount, \$48,674,795 and \$46,378,836, respectively, is net investment in capital assets, and \$36,261,158 and \$35,579,756, respectively, is unrestricted.
- The District's total net position increased for the fiscal year ended June 30, 2023, by \$2,977,361 compared to the fiscal year ended June 30, 2022. The District's total net position increased for the fiscal year ended June 30, 2022, by \$4,276,545 compared to the fiscal year ended June 30, 2021. The increases are due to increased investment in capital assets.
- The District claimed \$13,477,367 in fiscal year 2023 from the Transportation Authority of Marin as part of a voter approved sales tax. The District claimed \$8,842,770 in fiscal year 2022 from the Transportation Authority of Marin as part of a voter approved sales tax.
- The District's emergency reserve and contingency reserve are fully-funded, with a total value equivalent to six months operating funds. The District's capital reserve decreased by \$1,853,727, for a total capital reserve of \$16,035,159.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

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

Notes to the Basic Financial Statements

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

OVERALL FINANCIAL ANALYSIS

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

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the case of the District, assets and deferred outflows of resources exceeded liabilities by \$84,935,953 and \$81,958,592 at June 30, 2023 and 2022, respectively.

STATEMENTS OF NET POSITION

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

			2023-2022		2022-2021
	June 30, 2023	June 30, 2022	Increase (Decrease)	June 30, 2021	Increase (Decrease)
Cash	\$35,886,151	\$28,577,971	\$7,308,180	\$25,892,366	\$2,685,605
Receivables	6,777,673	12,516,216	(5,738,543)	12,153,513	362,703
Prepaid expenses	66,648	8,229	58,419	2,983,557	(2,975,328)
Net pension asset	-	-	-	12,047	(12,047)
Capital assets, net	49,381,974	47,252,222	2,129,752	40,895,229	6,356,993
	00.440.440	00.054.000	0.757.000	04 000 740	0.447.000
Total Assets	92,112,446	88,354,638	3,757,808	81,936,712	6,417,926
Deferred Outflows of Resources	105,659	148,898	(43,239)	6,088	142,810
Current liabilities	6,551,688	5,656,763	894,925	4,237,994	1,418,769
Noncurrent liabilities	730,464	888,181	(157,717)	22,759	865,422
Total Liabilities	7,282,152	6,544,944	737,208	4,260,753	2,284,191
Total Elabilities	7,202,102	0,044,044	707,200	4,200,700	2,204,101
Net investment in capital assets	48,674,795	46,378,836	2,295,959	40,895,229	5,483,607
Unrestricted net position	36,261,158	35,579,756	681,402	36,786,818	(1,207,062)
Total Not Docition	Φ04 00F 050	#04.050.500	#0.077.004	Ф 77 СОО О 17	Φ4.070.E4E
Total Net Position	\$84,935,953	\$81,958,592	\$2,977,361	\$77,682,047	\$4,276,545

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

STATEMENTS OF ACTIVITIES AND CHANGES IN NET POSITION

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

	June 30, 2023	June 30, 2022	2023-2022 Increase (Decrease)	June 30, 2021	2023-2022 Increase (Decrease)
Operating Revenues					
Transit fares	\$2,863,261	\$2,494,806	\$368,455	\$1,456,012	\$1,038,794
Contractual compensation	1,220,388	1,607,414	(387,026)	1,291,815	315,599
Special fares and school bus	221221			400.000	
revenue	334,991	304,605	30,386	193,008	111,597
Total Operating Revenues	4,418,640	4,406,825	11,815	2,940,835	1,465,990
Operating Expenses					
Purchased transportation services	29,353,390	24,818,237	4,535,153	23,220,993	1,597,244
Depreciation and amortization	4,774,382	4,784,362	(9,980)	4,479,124	305,238
Salaries and benefits	2,970,674	2,527,315	443,359	2,435,258	92,057
Fuel	2,902,027	2,997,169	(95,142)	1,891,121	1,106,048
Professional services	602,754	1,696,700	(1,093,946)	1,571,188	125,512
General and administrative	466,522	598,660	(132,138)	531,105	67,555
Lease and rentals	26,210	143,874	(117,664)	140,532	3,342
Maintenance and facility costs	711,664	393,610	318,054	249,147	144,463
Total Operating Expense	41,807,623	37,959,927	3,847,696	34,518,468	3,441,459
Operating Loss	(37,388,983)	(33,553,102)	(3,835,881)	(31,577,633)	(1,975,469)
Nonoperating Revenues (Expenses)					
Intergovernmental revenue	31,614,100	26,855,061	4,759,039	26,303,660	551,401
Property tax	5,705,817	5,382,566	323,251	5,025,293	357,273
Advertising and rentals	320,422	553,176	(232,754)	538,768	14,408
Gain on disposal of capital assets	30,870	32,281	(1,411)	110,250	(77,969)
Other revenues (expenses)	(229,468)	(577,472)	348,004	(106,156)	(471,316)
Interest expense	(16,753)	(1,552)	(15,201)		(1,552)
Total Nonoperating Revenues					
(Expenses)	37,424,988	32,244,060	5,180,928	31,871,815	372,245
Income Before Capital Contributions	36,005	(1,309,042)	1,345,047	294,182	(1,603,224)
Capital Contributions (Grants)	_	_	_	_	_
Intergovernmental revenue	2,941,356	5,563,381	(2,622,025)	5,225,566	337,815
Other revenue	-	22,206	(22,206)	6,578	15,628
Total Capital Contributions (Grants)	2,941,356	5,585,587	(2,644,231)	5,232,144	353,443
Change in net position	2,977,361	4,276,545	(1,299,184)	5,526,326	(1,249,781)
Net Position at Beginning of Year	81,958,592	77,682,047	4,276,545	72,155,721	5,526,326
Net Position at End of Year	\$84,935,953	\$81,958,592	\$2,977,361	\$77,682,047	\$4,276,545

Revenues

Operating revenues remained stable at \$4.4 million in the fiscal year ended June 30, 2023, as compared to the fiscal year ended June 30, 2022. The new operations agreement with GGBHTD, effective October

2022 reduced the District's share of advertising revenue and lowered GGBHTD obligation to fund local paratransit.

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

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

Expenses

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

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Summary of Capital Assets (net of depreciation)

	Balance at June 30, 2023	Balance at June 30, 2022	Balance at June 30, 2021
Nondepreciable:			
Land	\$6,717,174	\$3,027,166	\$1,550,836
Work in progress	2,928,305	6,132,780	673,962
Total Nondepreciable	9,645,479	9,159,946	2,224,798
Capital Assets Being Depreciated			
Revenue Vehicles	24,360,205	23,518,043	26,419,635
Facilities and stops	7,199,527	7,517,652	7,838,121
Communication and data equipment	730,836	623,807	621,442
Fare revenue collection equipment	2,235	5,875	13,226
Furniture and fixtures	110,707	126,604	24,073
Administrative buildings	3,552,643	3,519,724	3,673,033
Maintenance buildings	3,053,727	1,908,426	0,010,000
Non-revenue vehicles	34,914		80,901
Total capital assets, being depreciated	39,044,794	37,220,131	38,670,431
Right-to-use Leased Assets Amortized			
Office Space	691,701	872,145	
Total Right-to-use Leased Assets Amortized	691,701	872,145	

Capital Assets, Net	\$49,381,974	\$47,252,222	\$40,895,229

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

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

DEBT ADMINISTRATION

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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

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

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

The lack of ownership of sufficient zero emission bus charging, parking, and maintenance facilities continues to be a critical vulnerability in ensuring long term financial stability. The District purchased the Rush Landing bus parking facility in FY2019/20, purchased a paratransit maintenance facility, in San Rafael

in FY2021/22 and initiated a purchase of a small parking facility adjacent to the paratransit maintenance facility in FY2022/23. The District received a federal grant of \$31.5 million towards the purchase of an electric vehicle charging and fixed route maintenance facility.

The District adopted an update to the Short Range Transit Plan (SRTP) on December 5, 2022. The 2023-2028 SRTP provides the framework for service and capital planning for the next ten years. Financial projections are updated and a financially constrained plan and priorities for services and projects are established for potential future new revenues. The SRTP financial plan guides financial decision-making for the agency and is the basis for analyzing longer range financial impacts of changes in costs and revenues. The SRTP is updated every two to four years and the District plans to do another full update in 2024.

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

REQUESTS FOR INFORMATION

Mancy E. Tehelan

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

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

Respectfully submitted,

Nancy Whelan General Manager

MARIN COUNTY TRANSIT DISTRICT STATEMENT OF NET POSITION JUNE 30, 2023

WITH SUMMARIZED TOTALS AS OF JUNE 30, 2022

	2023	2022
ASSETS		
Current Assets		
Cash and investments (Note 2) Accounts receivables:	\$35,886,151	\$28,577,971
State grants	743,401	5 400 24 5
Transportation Authority of Marin	4,947,237	5,499,247
Federal grants Colden Cote Bridge Highway and Transit District	540,322	2,983,802
Golden Gate Bridge Highway and Transit District County of Marin	381,165 74,153	904,562 2,299,361
Other receivables	91,395	829,244
Prepaid expenses	66,648	8,229
Total current assets	42,730,472	41,102,416
Noncurrent Assets		
Capital Assets (Note 3):		
Not depreciated	9,645,479	9,159,946
Depreciable assets, net	39,044,794	37,220,131
Right-to-use leased assets, net	691,701	872,145
Total capital assets	49,381,974	47,252,222
Total noncurrent assets	49,381,974	47,252,222
Total Assets	92,112,446	88,354,638
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow Pension related (Note 7)	105,659	148,898
Total Deferred Outflows of Resources	105,659	148,898
Total Assets and Deferred Outflows of Resources	92,218,105	88,503,536
	72,210,103	00,303,330
LIABILITIES AND NET POSITION		
Current Liabilities		
Account payable	4,969,788	4,834,429
Accrued payroll and benefits	124,425	88,945
Unearned revenue	1,198,146	466,327
Compensated absences - current portion (Note 4)	85,682	100,856
Lease liability - current portion (Note 4)	173,647	166,206
Total current liabilities	6,551,688	5,656,763
Noncurrent Liabilities		
Compensated absences (Note 4)	41,291	2,560
Lease liability (Note 4)	533,532	707,180
Net pension liability (Note 7)	155,641	178,441
Total noncurrent liabilities	730,464	888,181
Total Liabilities	7,282,152	6,544,944
NET POSITION		
Net investment in capital assets	48,674,795	46,378,836
Unrestricted (Note 1M)	36,261,158	35,579,756
Total Net Position	\$84,935,953	\$81,958,592

See accompanying notes to basic financial statements

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

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

MARIN COUNTY TRANSIT DISTRICT STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2023

WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2022

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

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

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

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

	2023	2022
ADDITIONS		
Contributions - employer	\$280,324	\$247,644
Increase in investments	174,346	(386,918)
Dividends	41,926	46,243
Capital Gains	14,456	17,463
TOTAL ADDITIONS	511,052	(75,568)
DEDUCTIONS		
Administrative expenses	(9,400)	(9,858)
Withdrawals	(76,946)	(109,099)
TOTAL DEDUCTIONS	(86,346)	(118,957)
NET INCREASE IN NET POSITION	424,706	(194,525)
NET POSITION RESTRICTED FOR		
RETIREMENT BENEFITS -BEGINNING OF YEAR	1,829,692	2,024,217
NET DOGITION DECEDIOTED FOR		
NET POSITION RESTRICTED FOR	Φ 2.254.2 00	Φ1 0 2 0 6 0 2
RETIREMENT BENEFITS -END OF YEAR	\$2,254,398	\$1,829,692

See accompanying notes to basic financial statements

For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

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

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

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

For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

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

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

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

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

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

For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

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

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

B. Joint Ventures

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

C. Basis of Presentation

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

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

For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

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

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

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

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

E. Cash and Cash Equivalents

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

F. Prepaid Expenses

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

For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets

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

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

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

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

H. Unearned Revenue

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

I. Compensated Absences

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

For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Property Taxes

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

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

K. Measure AA (Previously Measure A)

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

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

L. Measure B

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

For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Net Position

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

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

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

<u>Unrestricted Net Position</u> – Unrestricted net position represents amounts not restricted for any other project.

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

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

N. Use of Estimates

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

For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Leases

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

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

P. Reclassification

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

Q. New Accounting Pronouncements – Implemented

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

R. Future Accounting Pronouncements

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

For The Years Ended June 30, 2023 and 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Prior-Period Comparative Statements

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

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

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

Investment in the County of Marin Investment Pool

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

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2023 and 2022, the weighted average maturity of the investments contained in the County's investment pool was approximately 196 and 236, respectively.

Credit risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's investment pool has maintained the highest rating of AAA by Fitch Ratings, a nationally recognized statistical rating organization, since 1994.

For The Years Ended June 30, 2023 and 2022

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

Custodial credit risk

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

NOTE 3 – CAPITAL ASSETS

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

Nondepreciable:		Balance June 30, 2022	Additions / Adjustments	Retirements	Transfers	Balance June 30, 2023
Work in progress 6,132,780 2,040,300 (5,244,775) 2,928,305 Total capital assets, not being depreciated 9,159,946 5,555,015 (5,069,482) 9,645,479 Capital assets, being depreciated: 8 40,767,669 773,885 (\$372,581) 3,767,917 44,936,890 Facilities and stops 9,310,855 9,310,855 9,310,855 9,310,855 20,800,425 45,134 2,080,425 434,929 443,929 443,929 143,929 143,029 143,029 1235,205 443,029 143,029 1235,205 443,029 1235,205 143,049 430,945 143,029 1235,205 143,045 143,049 143,049 143,045 143,045 143,049 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,049 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045 143,045	Nondepreciable:					
Total capital assets, not being depreciated 9,159,946 5,555,015 (5,069,482) 9,645,479 Capital assets, being depreciated: Revenue Vehicles 40,767,669 773,885 (\$372,581) 3,767,917 44,936,890 Facilities and stops 9,310,585 93,10,585 93,10,585 93,01,585 93,01,585 60,425 45,134 2,080,425 434,929 434,949	Land	\$3,027,166	\$3,514,715		\$175,293	\$6,717,174
Capital assets, being depreciated: 40,767,669 773,885 (\$372,581) 3,767,917 44,936,890 Facilities and stops 9,310,585 9,310,585 9,310,585 9,310,585 20,804,25 45,134 2,080,425 643,4929 4434,929 4434,929 4434,929 1434,929 232,770 2,435 225,890 430,545 258,890 430,545 Administrative buildings 4,045,565 228,875 996,220 3,170,785 Non-revenue vehicles 396,744 36,899 321 433,964 433,964 Total capital assets, being depreciated 58,862,218 1,349,119 (\$372,581) 5,069,482 64,908,238 40,	Work in progress	6,132,780	2,040,300		(5,244,775)	2,928,305
Revenue Vehicles	Total capital assets, not being depreciated	9,159,946	5,555,015		(5,069,482)	9,645,479
Facilities and stops 9,310,585 307,025 45,134 2,080,425 Communication and data equipment 434,929 445,134 2,080,425 Far revenue collection equipment 434,929 235,205 Administrative buildings 4,045,565 259,890 4,305,455 Maintenance buildings 1,945,690 228,875 996,220 3,170,785 Non-revenue vehicles 336,744 36,899 321 433,964 Total capital assets, being depreciated 58,862,218 1,349,119 (\$372,581) 5,069,482 64,908,238 Less accumulated depreciation for: Revenue Vehicles (17,249,626) (3,699,640) 372,581 5,069,482 64,908,238 Less accumulated depreciation for: Revenue Vehicles (17,229,626) (3,699,640) 372,581 5,069,482 64,908,238 Less accumulated depreciation for: Revenue Vehicles (17,249,626) (3,699,640) 372,581 (20,576,685) 64,908,238 Less accumulated depreciation for: Revenue Vehicles (1,04,459) (245,130) (1,349,589) 64,208,249 <	Capital assets, being depreciated:					
Communication and data equipment 1,728,266 307,025 45,134 2,080,425 Fare revenue collection equipment 434,929 434,929 434,929 Furniture and fixtures 232,770 2,435 259,890 4,305,455 Administrative buildings 1,945,690 228,875 996,220 3,170,785 Non-revenue vehicles 36,899 321 433,964 Total capital assets, being depreciated 58,862,218 1,349,119 (\$372,581) 5,069,482 64,908,238 Less accumulated depreciation for: Revenue Vehicles (17,249,626) (3,699,640) 372,581 (20,576,685) Facilities and stops (1,792,933) (318,125) (2,111,058) Communication and data equipment (1,104,459) (245,130) (1,349,589) Fare revenue collection equipment (429,054) (3,640) (432,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,	Revenue Vehicles	40,767,669	773,885	(\$372,581)	3,767,917	44,936,890
Fare revenue collection equipment 434,929 Furniture and fixtures 232,770 2,435 235,205 25,205 Administrative buildings 4,045,565 3,900 228,875 259,890 3,170,785 Maintenance buildings 1,945,690 36,690 228,875 996,220 3,170,785 Non-revenue vehicles 396,744 36,899 321 433,964 Total capital assets, being depreciated 58,862,218 1,349,119 (8372,581) 5,069,482 64,908,238 Less accumulated depreciation for: Revenue Vehicles (17,249,626) (3,699,640) 372,581 (20,576,685) Facilities and stops (17,92,933) (318,125) (2,111,058) (2,111,058) Communication and data equipment (1,104,459) (245,130) (1,349,589) Far ervenue collection equipment (429,054) (3,640) (3,640) (432,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciated, net 37,220,131 (3,244,819) \$5,069,482 (39,044,794) Ri	Facilities and stops	9,310,585				9,310,585
Furniture and fixtures 232,770 2,435 259,890 4305,455 Administrative buildings 1,945,690 228,875 996,220 3,170,785 Non-revenue vehicles 396,744 36,899 321 433,964 Total capital assets, being depreciated 58,862,218 1,349,119 (\$372,581) 5,069,482 64,908,238 Less accumulated depreciation for: Revenue Vehicles (17,249,626) (3,699,640) 372,581 (20,576,685) Facilities and stops (1,792,933) (318,125) (2,111,058) Communication and data equipment (1,104,459) (245,130) (1,349,589) Fare revenue collection equipment (429,054) (3,640) (432,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581<	Communication and data equipment	1,728,266	307,025		45,134	2,080,425
Administrative buildings 4,045,565 Maintenance buildings 259,890 1,945,690 228,875 996,220 3,170,78	Fare revenue collection equipment	434,929				434,929
Maintenance buildings Non-revenue vehicles 1,945,690 396,744 228,875 36,899 996,220 321 3,170,785 433,964 Total capital assets, being depreciated 58,862,218 1,349,119 (\$372,581) 5,069,482 64,908,238 Less accumulated depreciation for: Revenue Vehicles (17,249,626) (3,699,640) 372,581 (20,576,685) Facilities and stops (1,792,933) (318,125) (2,111,058) Communication and data equipment (1,104,459) (245,130) (13,49,589) Fare revenue collection equipment (429,054) (3,640) (432,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (17,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total right-to-use leased assets, being amortizable: 902,219 \$5,069,482 39,044,794 Less accumulated amortization:		,	2,435			,
Non-revenue vehicles 396,744 36,899 321 433,964 Total capital assets, being depreciated 58,862,218 1,349,119 (\$372,581) 5,069,482 64,908,238 Less accumulated depreciation for: Revenue Vehicles (17,249,626) (3,699,640) 372,581 (20,576,685) Facilities and stops (1,792,933) (318,125) (2,111,058) Communication and data equipment (1,104,459) (245,130) (1349,589) Fare revenue collection equipment (429,054) (3,640) (423,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 902,219 \$5,069,482 39,044,794 Less accumulated amortization: 902,219 902,219		, ,			,	, ,
Total capital assets, being depreciated 58,862,218 1,349,119 (\$372,581) 5,069,482 64,908,238			,		,	
Less accumulated depreciation for: Revenue Vehicles (17,249,626) (3,699,640) 372,581 (20,576,685) Facilities and stops (1,792,933) (318,125) (2,111,058) Communication and data equipment (1,104,459) (245,130) (1349,589) Fare revenue collection equipment (429,054) (3,640) (432,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 902,219 902,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 Less accumulated amortization: (210,518) Office space (30,074) (180,444) (210,518)	Non-revenue vehicles	396,744	36,899		321	433,964
Revenue Vehicles (17,249,626) (3,699,640) 372,581 (20,576,685) Facilities and stops (1,792,933) (318,125) (2,111,058) Communication and data equipment (1,104,459) (245,130) (13,349,589) Fare revenue collection equipment (429,054) (3,640) (432,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 902,219 902,219 902,219 Less accumulated amortization: 902,219 902,219 902,219 Less accumulated amortization: (210,518) (210,518) Total Right to Use Lease Assets, Amortizable net <td< td=""><td>Total capital assets, being depreciated</td><td>58,862,218</td><td>1,349,119</td><td>(\$372,581)</td><td>5,069,482</td><td>64,908,238</td></td<>	Total capital assets, being depreciated	58,862,218	1,349,119	(\$372,581)	5,069,482	64,908,238
Facilities and stops (1,792,933) (318,125) (2,111,058) Communication and data equipment (1,104,459) (245,130) (1,349,589) Fare revenue collection equipment (429,054) (3,640) (432,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 0902,219 902,219 902,219 Less accumulated amortization: 902,219 902,219 902,219 Less accumulated amortization: 0ffice space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Less accumulated depreciation for:					
Communication and data equipment (1,104,459) (245,130) (1,349,589) Fare revenue collection equipment (429,054) (3,640) (432,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 902,219 902,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 902,219 Less accumulated amortization: (30,074) (180,444) (210,518) Office space (30,074) (180,444) 691,701	Revenue Vehicles	(17,249,626)	(3,699,640)	372,581		(20,576,685)
Fare revenue collection equipment (429,054) (3,640) (432,694) Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: Office Space 902,219 Total right-to-use leased assets, being amortizable 902,219 Less accumulated amortization: Office space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) (691,701)	Facilities and stops	(1,792,933)	(318,125)			(2,111,058)
Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 902,219 902,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 902,219 Less accumulated amortization: (30,074) (180,444) (210,518) Office space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Communication and data equipment	(1,104,459)	(245,130)			(1,349,589)
Furniture and fixtures (106,166) (18,332) (124,498) Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 902,219 \$02,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 902,219 Less accumulated amortization: (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Fare revenue collection equipment	(429,054)	(3,640)			(432,694)
Administrative buildings (525,841) (226,971) (752,812) Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 902,219 902,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 902,219 Less accumulated amortization: 0ffice space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701		` ' /				
Maintenance buildings (37,264) (79,794) (117,058) Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 902,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 Less accumulated amortization: 0ffice space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Administrative buildings	` ' /				
Non-revenue vehicles (396,744) (2,306) (399,050) Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: 902,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 Less accumulated amortization: 902,219 902,219 Coffice space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	ě	(, ,	(, ,			
Total accumulated depreciation (21,642,087) (4,593,938) \$372,581 (25,863,444) Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: Office Space 902,219 Total right-to-use leased assets, being amortizable 902,219 Less accumulated amortization: Office space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	e e e e e e e e e e e e e e e e e e e					
Total capital assets, being depreciated, net 37,220,131 (3,244,819) \$5,069,482 39,044,794 Right-to-use leased assets, amortizable: Office Space 902,219 902,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 Less accumulated amortization: Office space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701				\$272.591		
Right-to-use leased assets, amortizable: Office Space 902,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 Less accumulated amortization: 0ffice space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Total accumulated depreciation	(21,042,087)	(4,393,938)	\$372,381		(25,865,444)
Office Space 902,219 902,219 Total right-to-use leased assets, being amortizable 902,219 902,219 Less accumulated amortization: Office space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Total capital assets, being depreciated, net	37,220,131	(3,244,819)		\$5,069,482	39,044,794
Total right-to-use leased assets, being amortizable 902,219 902,219 Less accumulated amortization: Office space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Right-to-use leased assets, amortizable:					
Less accumulated amortization: (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Office Space	902,219				902,219
Office space (30,074) (180,444) (210,518) Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Total right-to-use leased assets, being amortizable	902,219				902,219
Total Right to Use Lease Assets, Amortizable net 872,145 (180,444) 691,701	Less accumulated amortization:					
	Office space	(30,074)	(180,444)			(210,518)
Total Capital Assets Net \$47,252,222 \$2,129,752 \$49,381,974	Total Right to Use Lease Assets, Amortizable net	872,145	(180,444)			691,701
	Total Capital Assets Net	\$47,252,222	\$2,129,752			\$49,381,974

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

For The Years Ended June 30, 2023 and 2022

NOTE 3 – CAPITAL ASSETS (Continued)

	Balance	Additions /			Balance
	June 30, 2021	Adjustments	Retirements	Transfers	June 30, 2022
Nondepreciable:					
Land	\$1,550,836	\$1,323,613		\$152,717	\$3,027,166
Work in progress	673,962	5,961,113		(502,295)	6,132,780
Total capital assets, not being depreciated	2,224,798	7,284,726		(349,578)	9,159,946
Capital assets, being depreciated:					
Revenue Vehicles	40,972,893	947,774	(\$1,158,796)	5,798	40,767,669
Facilities and stops	9,310,585				9,310,585
Communication and data equipment	1,522,292	81,037	(32,189)	157,126	1,728,266
Fare revenue collection equipment	434,929				434,929
Furniture and fixtures	123,907	108,863			232,770
Administrative buildings	3,987,865	57,700		186,654	4,045,565
Maintenance buildings Non-revenue vehicles	396,744	1,759,036		180,034	1,945,690 396,744
Total capital assets, being depreciated	56,749,215	2,954,410	(1,190,985)	349,578	58,862,218
Less accumulated depreciation for:					
Revenue Vehicles	(14,553,258)	(3,855,164)	1,158,796		(17,249,626)
Facilities and stops	(1,472,464)	(320,469)	, ,		(1,792,933)
Communication and data equipment	(900,850)	(235,798)	32,189		(1,104,459)
Fare revenue collection equipment	(421,703)	(7,351)	- ,		(429,054)
Furniture and fixtures	(99,834)	(6,332)			(106,166)
Administrative buildings	(314,832)	(211,009)			(525,841)
Maintenance buildings	(0 - 1,00 =)	(37,264)			(37,264)
Non-revenue vehicles	(315,843)	(80,901)			(396,744)
Total accumulated depreciation	(18,078,784)	(4,754,288)	\$1,190,985		(21,642,087)
Total capital assets, being depreciated, net	38,670,431	(1,799,878)		\$349,578	37,220,131
Right-to-use leased assets, amortizable:					
Office Space		902,219			902,219
Total right-to-use leased assets, being amortizable		902,219			902,219
Less accumulated amortization:					
Office space		(30,074)			(30,074)
Total Right to Use Lease Assets, Amortizable net		872,145			872,145
Total Capital Assets Net	\$40,895,229	\$6,356,993			\$47,252,222

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

For The Years Ended June 30, 2023 and 2022

NOTE 4 – LONG-TERM LIABILITY

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

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

Lease liability

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

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

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

For The Years Ended June 30, 2023 and 2022

NOTE 5 – INTERGOVERNMENTAL REVENUE

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

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

For The Years Ended June 30, 2023 and 2022

NOTE 5 – INTERGOVERNMENTAL REVENUE (Continued)

		2022	
	Nonoperating	Capital	Total
Federal revenue:			
FTA			
Section 5307 (ADA Set-Aside)	\$802,802		\$802,802
Section 5307 (Vehicle/Equipment purchase)		\$3,624,660	3,624,660
Section 5307 (CRRSAA)	3,654,814		3,654,814
Section 5307 (ARPA)	3,000,000		3,000,000
Section 5310 (CRRSAA)	45,354		45,354
Section 5310 (Mobility Management)	80,146		80,146
Section 5311 grant (Stagecoach operating)	228,695		228,695
Section 5311 (CRRSAA)	304,048		304,048
United States Department of the Interior	ŕ		ŕ
National Park Service	290,671		290,671
National Park Service - Fare Revenue	178,535		178,535
Total federal revenue	8,585,065	3,624,660	12,209,725
State revenue:			
TDA	6,565,228		6,565,228
State Transit Assistance (STA)	0,505,220		0,505,220
STA (Operations - Revenue Based)	1,500,000		1,500,000
STA (Operations - Population Based)	1,040,376		1,040,376
Paratransit	60,000		60,000
State of Good Repair (SGR)	00,000	44,718	44,718
State Renewable Energy Credits	13,528	11,710	13,528
Home Owner Property Tax Relief	18,412		18,412
Low Carbon Transit Operations Program (LCTOP)	10,112	1,315,115	1,315,115
California Department of Transportation (Caltrans)	216	1,515,115	216
Total state revenue	9,197,760	1,359,833	10,557,593
Local revenue:			
Measure AA			
Category 4.1 Bus Transit Service	3,232,824		3,232,824
Category 4.2 Rural/Recreational Bus Services	664,630		664,630
Category 4.3 Transit Services for Special Needs	2,767,189		2,767,189
Category 4.4 Bus Services to Schools	1,291,954		1,291,954
Category 4.5 Bus Transit Facilities	307,285	578,888	886,173
Measure B	808,354	270,000	808,354
Total local revenue	9,072,236	578,888	9,651,124
Total intergovernmental revenue	\$26,855,061	\$5,563,381	\$32,418,442

For The Years Ended June 30, 2023 and 2022

NOTE 6 – RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS

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

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

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

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

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

NOTE 7 – PENSION PLAN

A. General Information about the Pension Plan

Plan Description and Benefits Provided

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

For The Years Ended June 30, 2023 and 2022

NOTE 7 – PENSION PLAN (Continued)

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

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

Employees Covered by Benefit Terms

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

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

Contributions

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

For The Years Ended June 30, 2023 and 2022

NOTE 7 – PENSION PLAN (Continued)

B. Net Pension (Asset) Liability

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

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

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

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

Long-Term Expected Rate of Return

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

For The Years Ended June 30, 2023 and 2022

NOTE 7 – PENSION PLAN (Continued)

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

Discount Rate

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

C. Changes in the Net Pension (Asset) Liability

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

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

For The Years Ended June 30, 2023 and 2022

NOTE 7 – PENSION PLAN (Continued)

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

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

	1% Decrease	Current Rate	1% Increase	
	5.00%	6.00%	7.00%	
Net Pension Liability	\$271,406	\$155,641	\$66,625	

Pension Plan Fiduciary Net Position

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

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

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

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

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

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

For The Years Ended June 30, 2023 and 2022

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Commitments

The District has the following commitments as of June 30:

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

Contingencies

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

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

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

For The Years Ended June 30, 2023 and 2022

NOTE 8 – COMMITMENTS AND CONTINGENCIES (Continued)

Concentrations

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

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

NOTE 9 – OTHER STAFF GRANTS

Low Carbon Transit Operations Program (LCTOP)

The LCTOP was established by the California Legislature in 2014 by Senate Bill (SB) 862. The LCTOP provides funds to transit agencies to reduce greenhouse gas emission and improve mobility through operating and capital grants. Projects approved for LCTOP will support bus or rail services, or expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance, and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions.

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

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

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

For The Years Ended June 30, 2023 and 2022

NOTE 9 – OTHER STAFF GRANTS (Continued)

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

Project Name	Grant Amount	Accumulated Allocations Received	Accumulated Interest Received	Accumulated Amounts Expended	Unexpended at June 30, 2023
Four Electric Vehicles EV Vehicle & Charging	\$1,338,884	\$1,338,884	\$17,220	(\$1,356,104)	
infrastructure	677,208	677,208	8,003		\$685,211
Total	\$2,016,092	\$2,016,092	\$25,223	(\$1,356,104)	\$685,211
			_		_
		Accumulated	Accumulated	Accumulated	Unexpended
	Grant	Allocations	Interest	Amounts	at
Project Name	Amount	Received	Received	Expended	June 30, 2022
Four Electric Vehicles	\$1,338,884	\$1,338,884	\$17,191	(\$1,315,115)	\$40,960
Total	\$1,338,884	\$1,338,884	\$17,191	(\$1,315,115)	\$40,960

State of Good Repair (SGR)

The Road Repair and Accountability Act of 2017, SB 1 (Chapter 5, Statutes of 2017), signed by the Governor on April 28, 2017, includes a program that will provide additional revenues for transit infrastructure repair and service improvements. This investment in public transit will be referred to as the State of Good Repair program. In the fiscal years ending June 30, 2023 and 2022, the District was allocated \$677,208 and \$283,399 in SGR funds, respectively. During the years ended June 30, 2023 and 2022, the District earned interest of \$4,218 and \$69, respectively, on deposits of unspent SGR funds. The District expended \$0 and \$44,718 on purchasing replacement shuttles during the years ended June 2023 and 2022, respectively. At June 30, 2023 and 2022, the District had \$456,687 and \$243,317, respectively, in unexpended funds.

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

Project Name	Funding Year	Grant Amount	Accumulated Allocations Received	Accumulated Interest Received	Accumulated Amounts Expended	Unexpended at June 30, 2023
35ft Vehicle Replacements 35ft Vehicle Replacements Total State of Good Repair	FY23 FY22	\$252,014 243,345 \$495,359	\$209,055 243,345 \$452,400	\$1,348 2,939 \$4,287		\$210,403 246,284 \$456,687
Project Name	Funding Year	Grant Amount	Accumulated Allocations Received	Accumulated Interest Received	Accumulated Amounts Expended	Unexpended at June 30, 2022
35ft Vehicle Replacements Shuttle Purchases	FY22 FY21	\$243,345 237,855	\$243,276 237,855	\$41 28	(237,883)	\$243,317
Total State of Good Repair		\$481,200	\$481,131	\$69	(\$237,883)	\$243,317

For The Years Ended June 30, 2023 and 2022

NOTE 10 – RISK MANAGEMENT

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

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

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

NOTE 11 – TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

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

NOTE 12 – RELATED PARTY TRANSACTIONS

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

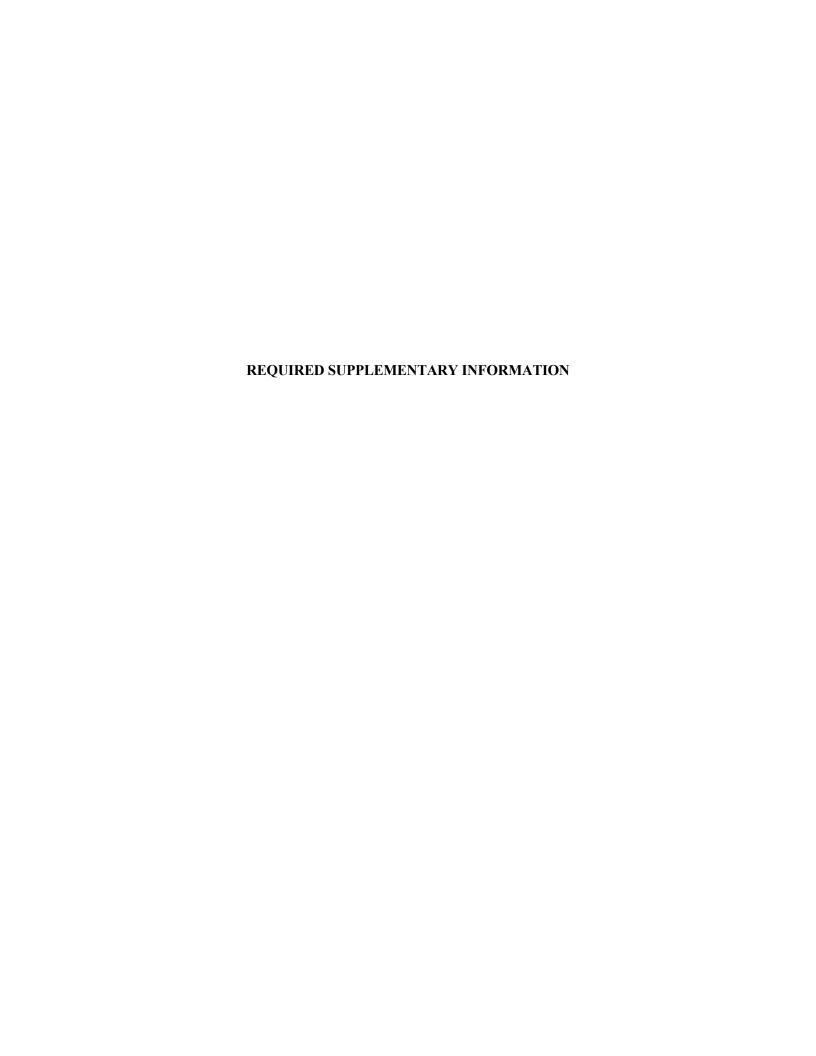
Receivables from Golden Gate and TAM are listed on the face of the Statement of Net Position. TDA and STA revenues listed in Note 5 are received from Golden Gate as well as various FTA and state grants. Measure A and Measure B revenues listed in Note 5 are received from TAM.

For The Years Ended June 30, 2023 and 2022

NOTE 12 – RELATED PARTY TRANSACTIONS (Continued)

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

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





MARIN COUNTY TRANSIT DISTRICT REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE NET PENSION ASSET (LIABILITY) AND RELATED RATIOS

FOR THE LAST 10 YEARS ENDED JUNE 30, 2023*

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

^{*} Fiscal year 2021 was the 1st year of implementation

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

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

Notes to Schedule:

Valuation Date June 30, 2022

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method Asset Valuation Method Amortization Method and Period	Entry Age Normal (level % of pay) Market Value Open, level dollar, 15 years starting 7/1/20
Investment Rate of Return Salary Scale	6% 2.8% wage inflation, plus rates

Pre-Retirement Mortality

Post-Retirment Mortality

Rates from the 2021 CALPERS

Experience Study, PA Misc,

Healthy Retiree and Beneficiary

Mortality Tables

varing by entry age





MARIN COUNTY TRANSIT DISTRICT BUDGETARY COMPARISON SCHEDULE - OPERATIONS BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2023

REVENUES		Original Budget	Final Budget	Actual	Variance with Final Budget
Fare Revenue					
Advertising & Other Revenue 203,500 203,500 235,790 32,290					
Fee for Service					
Interest		•	·		
Measure A 1,170,797 1,170,797 900,490 (270,307) Measure A 12,350,558 12,350,558 9,403,780 (2,946,778) Measure B 950,000 950,000 825,310 (124,690) Property Taxes 5,245,000 5,245,000 5,615,424 370,424 Redevelopment Area (RDA) Fees 44,100 40,100 90,392 46,292 State Transit Assistance (STA) 3,012,985 3,021,660 8,675 Transit Development Act (TDA) 11,411,858 11,411,858 10,909,658 (502,200) Other State 323,300 323,300 25,419 (6,881) FTA Funds 4925,943 4,925,943 5,421,507 495,564 National Park Service 564914.00 564914.00 521983.00 (42,931) Cost Center Revenue Transfers (2,450,000) (2,450,000) (3,962,680) (1,512,680) Total revenues 42,272,131 42,272,131 37,990,772 42,813,359 EXPENDITURES Salaries and Benefits 3,182,288 3,182,288					
Measure AA 12,350,558 12,350,558 9,403,780 (2,946,778) Measure B 950,000 950,000 825,310 (124,690) Property Taxes 5,245,000 5,245,000 5,615,424 370,424 Redevelopment Acra (RDA) Fees 44,100 44,100 90,392 46,292 State Transit Assistance (STA) 3,012,985 3,012,985 3,021,660 8,675 Transit Development Act (TDA) 11,411,858 11,411,858 10,909,658 (502,200) Other State 32,300 32,300 25,419 (6,881) FTA Funds 4,925,943 4,925,943 5,421,507 495,564 National Park Service 564914.00 564914.00 521983.00 (42,931) Cost Center Revenue Transfers (2,450,000) (2,450,000) (3,962,680) (1,512,680) Total revenues 42,272,131 42,272,131 37,990,772 (4,281,359) EXPENDITURES Salaries and Benefits 3,182,288 3,182,288 3,015,440 (166,848) Consultant Services 621,484<				·	
Measure B 950,000 950,000 825,310 (124,690) Property Taxes 5,245,000 5,245,000 5,615,424 370,424 Redevelopment Area (RDA) Fees 44,100 44,100 90,392 46,292 State Transit Assistance (STA) 3,012,985 3,012,985 3,021,660 8,675 Transit Development Act (TDA) 11,411,858 11,411,858 10,909,658 (502,200) Other State 32,300 32,300 25,419 (6,881) FTA Funds 4,925,943 4,921,507 495,564 National Park Service 564914.00 564914.00 521983.00 (42,931) Cost Center Revenue Transfers (2,450,000) (2,450,000) (3,962,680) (1,512,680) Total revenues 42,272,131 42,272,131 37,990,772 (4,281,359) EXPENDITURES Salaries and Benefits 3,182,288 3,182,288 3,015,440 (166,848) Salaries and Benefits 3,182,288 3,182,288 3,015,440 (166,848) Consultant Service-Legal 150,000 <t< td=""><td></td><td></td><td></td><td></td><td></td></t<>					
Property Taxes					
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Transit Development Act (TDA) 11,411,858 11,411,858 10,909,658 (502,200) Other State 32,300 32,300 25,419 (6,881) FTA Funds 4,925,943 4,925,943 5,421,507 495,564 National Park Service 564914.00 564914.00 564918.00 (42,931) Cost Center Revenue Transfers (2,450,000) (2,450,000) (3,962,680) (1,512,680) Total revenues 42,272,131 42,272,131 37,990,772 (4,281,359) EXPENDITURES Salaries and Benefits 3,182,288 3,182,288 3,015,440 (166,848) Consultant Services 621,484 621,484 369,148 (252,336) Professional Service-Legal 150,000 150,000 35,708 (114,292) Security and Maintenance 400,564 400,564 236,725 (163,839) Customer Service 672,695 672,695 126,842 (545,853) Mobility Management Support Programs 102,731 102,731 3,873 (98,858)				·	
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Cost Center Revenue Transfers (2,450,000) (2,450,000) (3,962,680) (1,512,680) Total revenues 42,272,131 42,272,131 37,990,772 (4,281,359) EXPENDITURES Salaries and Benefits 3,182,288 3,182,288 3,015,440 (166,848) Consultant Services 621,484 621,484 369,148 (252,336) Professional Service-Legal 150,000 150,000 35,708 (114,292) Security and Maintenance 400,564 400,564 236,725 (163,839) Customer Service 672,695 672,695 126,842 (545,853) Mobility Management Support Programs 102,731 102,731 3,873 (98,858) Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation					
Total revenues 42,272,131 42,272,131 37,990,772 (4,281,359)					
EXPENDITURES Salaries and Benefits 3,182,288 3,182,288 3,015,440 (166,848) Consultant Services 621,484 621,484 369,148 (252,336) Professional Service-Legal 150,000 150,000 35,708 (114,292) Security and Maintenance 400,564 400,564 236,725 (163,839) Customer Service 672,695 672,695 126,842 (545,853) Mobility Management Support Programs 102,731 102,731 3,873 (98,858) Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709	Cost Center Revenue Transfers	(2,450,000)	(2,450,000)	(3,962,680)	(1,512,680)
Salaries and Benefits 3,182,288 3,182,288 3,015,440 (166,848) Consultant Services 621,484 621,484 369,148 (252,336) Professional Service-Legal 150,000 150,000 35,708 (114,292) Security and Maintenance 400,564 400,564 236,725 (163,839) Customer Service 672,695 672,695 126,842 (545,853) Mobility Management Support Programs 102,731 102,731 3,873 (98,858) Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094	Total revenues	42,272,131	42,272,131	37,990,772	(4,281,359)
Consultant Services 621,484 621,484 369,148 (252,336) Professional Service-Legal 150,000 150,000 35,708 (114,292) Security and Maintenance 400,564 400,564 236,725 (163,839) Customer Service 672,695 672,695 126,842 (545,853) Mobility Management Support Programs 102,731 102,731 3,873 (98,858) Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 160,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) </td <td>EXPENDITURES</td> <td></td> <td></td> <td></td> <td></td>	EXPENDITURES				
Consultant Services 621,484 621,484 369,148 (252,336) Professional Service-Legal 150,000 150,000 35,708 (114,292) Security and Maintenance 400,564 400,564 236,725 (163,839) Customer Service 672,695 672,695 126,842 (545,853) Mobility Management Support Programs 102,731 102,731 3,873 (98,858) Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,024 (20,360) Marketing 162,620 162,620 127,998 (34,622) </td <td>Salaries and Benefits</td> <td>3,182,288</td> <td>3,182,288</td> <td>3,015,440</td> <td>(166,848)</td>	Salaries and Benefits	3,182,288	3,182,288	3,015,440	(166,848)
Professional Service-Legal 150,000 150,000 35,708 (114,292) Security and Maintenance 400,564 400,564 236,725 (163,839) Customer Service 672,695 672,695 126,842 (545,853) Mobility Management Support Programs 102,731 102,731 3,873 (98,858) Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448	Consultant Services				
Security and Maintenance 400,564 400,564 236,725 (163,839) Customer Service 672,695 672,695 126,842 (545,853) Mobility Management Support Programs 102,731 102,731 3,873 (98,858) Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258)	Professional Service-Legal	·			
Customer Service 672,695 672,695 126,842 (545,853) Mobility Management Support Programs 102,731 102,731 3,873 (98,858) Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle	Security and Maintenance			·	
Mobility Management Support Programs 102,731 102,731 3,873 (98,858) Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead	Customer Service			·	
Grants to External Agencies 525,000 525,000 514,606 (10,394) Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,84	Mobility Management Support Programs			·	(98,858)
Office Supplies 410,191 410,191 342,750 (67,441) Covid Cleaning and Supplies 3,709 3,709 General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,84	Grants to External Agencies			•	(10,394)
General Insurance 115,000 115,000 104,159 (10,841) Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339)	Office Supplies	410,191			(67,441)
Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339)	Covid Cleaning and Supplies		•	3,709	3,709
Contract Service Operation 30,495,780 30,495,780 29,349,517 (1,146,263) Membership & Prof Development 85,500 85,500 65,140 (20,360) Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339)	General Insurance	115,000	115,000	•	(10,841)
Membership & Prof Development85,50085,50065,140(20,360)Mileage and Travel25,00025,00016,094(8,906)Marketing162,620162,620127,998(34,622)Communication248,487248,487189,448(59,039)Fuel3,735,2853,735,2852,902,027(833,258)Utilities66,05066,05055,362(10,688)Vehicle Leases26,21026,21026,210Office - Rental and Overhead183,960183,960182,959(1,001)Cost Center Transfers(756,847)(365,333)(380,542)(15,209)Total expenditures40,451,99840,843,51237,287,173(3,556,339)Excess (Deficiency) of revenues	Contract Service Operation			•	(1,146,263)
Mileage and Travel 25,000 25,000 16,094 (8,906) Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339) Excess (Deficiency) of revenues	Membership & Prof Development				(20,360)
Marketing 162,620 162,620 127,998 (34,622) Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339) Excess (Deficiency) of revenues	Mileage and Travel	25,000	25,000	16,094	(8,906)
Communication 248,487 248,487 189,448 (59,039) Fuel 3,735,285 3,735,285 2,902,027 (833,258) Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339) Excess (Deficiency) of revenues	Marketing	162,620		127,998	(34,622)
Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339) Excess (Deficiency) of revenues	Communication		248,487	189,448	(59,039)
Utilities 66,050 66,050 55,362 (10,688) Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339) Excess (Deficiency) of revenues	Fuel	3,735,285	3,735,285	2,902,027	(833,258)
Vehicle Leases 26,210 26,210 26,210 Office - Rental and Overhead 183,960 183,960 182,959 (1,001) Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339) Excess (Deficiency) of revenues	Utilities	66,050			(10,688)
Cost Center Transfers (756,847) (365,333) (380,542) (15,209) Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339) Excess (Deficiency) of revenues	Vehicle Leases	26,210	26,210	26,210	
Total expenditures 40,451,998 40,843,512 37,287,173 (3,556,339) Excess (Deficiency) of revenues	Office - Rental and Overhead	183,960	183,960	182,959	(1,001)
Excess (Deficiency) of revenues	Cost Center Transfers	(756,847)	(365,333)	(380,542)	(15,209)
	Total expenditures	40,451,998	40,843,512	37,287,173	(3,556,339)
over (under) expenditures \$1,820,133 \$1,428,619 \$703,599 (\$725,020)	Excess (Deficiency) of revenues				
	over (under) expenditures	\$1,820,133	\$1,428,619	\$703,599	(\$725,020)

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

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

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

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







STATISTICAL SECTION

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

Contents	<u>Pages</u>
<u>Financial Trends</u>	
This segment contains trend information to help the reader understand how the District's financial performance and well-being have changed over time	. 47-49
Revenue Capacity	
This segment includes information to help the reader assess the District's most significant own-source revenues: passenger fares and property taxes.	. 50-55
Debt Capacity	
This segment presents information intended to assist the reader in understanding and assessing the District's current level of outstanding debt and its ability to issue additional debt in the future.	56
Economic and Demographic Information	
This segment depicts county-wide demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place	. 57-58
Operating Information	
These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs	. 59-63



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

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

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
OPERATING REVENUES										
Transit fares	\$ 3,731,205	\$ 3,669,514	\$ 3,586,587	\$ 3,528,289	\$ 3,570,143	\$ 3,303,234	\$ 2,664,354	\$ 1,456,012	\$ 2,494,806	\$ 2,863,261
Contractual compensation	1,906,714	1,950,099	2,028,796	1,765,230	1,830,716	1,834,761	1,778,963	1,291,815	1,607,414	1,220,388
Special fares	20,000	-	250,798	269,244	265,509	279,819	225,860	193,008	258,493	291,465
School bus revenues	20,000	_	130,000	145,000	145,000	145,000	151,010	-	46,112	43,526
School bus revenues			130,000	143,000	143,000	143,000	131,010		40,112	43,320
TOTAL OPERATING										
REVENUES	5,657,919	5,619,613	5,996,181	5,707,763	5,811,368	5,562,814	4,820,187	2,940,835	4,406,825	4,418,640
										
OPERATING EXPENSES										
Purchased transportation services	21,720,736	21,888,029	20,461,632	21,422,651	22,698,220	24,245,772	24,614,822	23,220,993	24,818,237	29,353,390
Depreciation and amortization	937,139	917,002	1,753,960	2,387,889	2,908,165	3,549,062	4,119,852	4,479,124	4,784,362	4,774,382
Salaries and benefits	964,311	1,327,913	1,631,669	1,973,470	1,881,194	2,099,316	2,420,797	2,435,258	2,527,315	2,970,674
Fuel	1,355,476	1,291,857	1,619,444	1,818,940	2,161,545	2,521,502	2,112,076	1,891,121	2,997,169	2,902,027
Professional services	486,242	554,304	1,003,065	1,177,446	1,440,732	1,340,332	1,352,263	1,571,188	1,696,700	602,754
General and administrative	165,775	129,360	179,181	199,985	244,554	223,930	314,814	345,271	411,724	215,512
Utilities	73,940	91,016	106,949	116,578	98,832	64,639	149,744	193,029	205,875	461,010
Marketing	136,455	114,660	127,154	114,823	150,501	116,677	126,142	96,231	56,052	127,998
Leases and rentals	100,975	92,236	94,469	96,668	47,873	126,723	137,817	140,532	143,874	26,210
Other services	66,750	66,654	61,792	51,035	26,214	50,069	48,090	23,115	51,120	26,935
Casualty and liability costs	25,738	29,444	29,580	18,083	31,526	31,798	48,404	66,488	79,764	96,077
Maintenance costs	53,439	89,988	15,961	10,448	19,195	5,575	14,578	39,422	167,280	233,618
Capital costs	383,848	330,949	109,393	9,085	98,034	17,893	(3,557)	16,696	20,455	17,036
Contract labor ¹	469,169									
TOTAL OPERATING										
EXPENSES	26,939,993	26,923,412	27,194,249	29,397,101	31,806,585	34,393,288	35,455,842	34,518,468	37,959,927	41,807,623
OPERATING LOSS	\$(21,282,074)	\$(21,303,799)	\$(21,198,068)	\$(23,689,338)	\$(25,995,217)	\$(28,830,474)	\$(30,635,655)	\$(31,577,633)	\$(33,553,102)	\$(37,388,983)

MARIN COUNTY TRANSIT DISTRICT STATISTICAL SECTION FINANCIAL TRENDS

STATEMENTS OF ACTIVITIES AND CHANGES IN NET POSITION (Continued) LAST TEN FISCAL YEARS

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

¹ Labeled "Staff Compensation" from FY09 to FY12.

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

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

¹ Source: Marin Transit Budgetary Comparison Schedule - Operations

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

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

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

Muir Woods Fare Category ¹	Current Fare	
Adult	\$3.50	1.5
Youth (16-18)	\$3.50	
Youth (under 16)	Free	
Senior/Disabled		
(without NPS Pass)	\$3.50	

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

Source: www.marintransit.org

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

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

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

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

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

¹55% of Sales Tax Receipts after administrative reductions

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

² Preliminary numbers

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

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

Source: MCTD Audited Financial Statements

MARIN COUNTY TRANSIT DISTRICT STATISTICAL SECTION REVENUE CAPACITY

ASSESSED VALUATION OF TAXABLE PROPERTY IN MARIN COUNTY LAST TEN FISCAL YEARS

(IN THOUSANDS)

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

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

Source: Department of Finance - County of Marin, California

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

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

^{*} Unavailable

MARIN COUNTY TRANSIT DISTRICT STATISTICAL SECTION REVENUE CAPACITY

DIRECT AND OVERLAPPING PROPERTY TAX RATES¹ IN MARIN COUNTY LAST TEN FISCAL YEARS (RATE PER \$100 OF ASSESSED VALUE)

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

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

Source: Department of Finance - County of Marin, California

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

^{*} Unavailable

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

Lender	Original Loan Amount	Date of Loan	Purpose	201	4	2015		2016		2017	2018	2019	 2020	 2021		2022		2023	3
N/A	N/A	N/A	N/A	\$		\$	_	\$	 \$	-	\$ -	\$ -	\$	 \$	_	\$	_	\$	

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

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

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

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

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

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

2023

	23		2013						
		Percentage of Total County			Percentage of Total County				
Employer	Employees	Employment	Employer	Employees	Employment				
County of Marin	2,436	1.92%	County of Marin	2,037	1.51%				
Kaiser Permanente	2,339	1.84%	Kaiser Permanente Medical Center	1,756	1.30%				
BioMarin Pharmaceutical	1,868	1.47%	San Quentin State Prison	1,690	1.25%				
San Quentin Prison	1,547	1.22%	Marin General Hospital	1,300	0.96%				
Glassdoor Inc	1,452	1.15%	Autodesk, Inc	1,000	0.74%				
San Rafael City Schools	1,145	0.90%	BioMarin Pharmaceutical	850	0.63%				
Marin General Hospital	1,081	0.85%	Novato Unified School District	805	0.60%				
Novato Unified School District	800	0.63%	Fireman's Fund Insurance Co.	750	0.55%				
Marin Community Clinics	576	0.45%	Lucasfilm Ltd.	400	0.30%				
Marin County Office of Education	449	0.35%	Macy's	380	0.28%				
Total	13,693	10.80%		10,968	8.11%				
Total County Employment	126,800			135,200					

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

Sources:

County of Marin ACFR

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

Date the District was Formed 1964

Form of Governance Board of Directors, with General Manager

Total Employees 17

Service Area All of Marin County

Area of District (in square miles)

Approximately 520

Population of Service Area¹ 262,321

Local Financial Support Measure A Sales Tax Revenue

Number of Fixed Route Bus Routes 25

Revenue Service Hours 204,108

Average Passenger Trips per Revenue Hour 13.2

Number of Vehicles in Service 78

Bus Stops 600+

Source: MCTD Finance Department, FY2022 System Performance Report

¹ As of 2022

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Federal Revenue Federal Transit Administration	\$ 1,375,087	\$ 1,317,128	\$ 901,433	\$ 1,065,347	\$ 1,151,839	\$ 1,421,148	\$ 3,475,476	\$ 9,207,534	\$ 8,115,859	\$ 5,421,507
United States Department of the Interior - National Park Service United States Department of the	159,028	168,665	150,865	89,009	154,736	323,371	370,245	14,177	290,671	521,982
Interior - NPS Fare Reimbursement					187,050	406,475	113,828	2,302	71,414	205,830
Total Federal Revenue	1,534,115	1,485,793	1,052,298	1,154,356	1,493,625	2,150,994	3,959,549	9,224,013	8,477,944	6,149,319
State Revenue										
Transportation Development Act	4,015,345	4,542,050	4,562,778	4,440,516	4,614,306	5,109,399	5,225,171	3,817,097	6,565,228	10,909,658
State Transit Assistance	1,360,737	1,310,912	1,316,134	1,576,690	1,285,220	1,909,202	2,047,902	1,680,205	2,600,376	3,021,034
Public Transportation Modernization, Improvement, and Service Enhancement										
Account	_	_	_	_	_	_	_	_	_	_
State Renewable Energy Credits	-	-	-	_	-	-	-	14,010	13,528	6,915
Home Owner Property Tax Relief	19,500	19,326	19,138	18,953	18,940	18,779	18,719	18,541	18,412	18,298
Low Carbon Transit Operations										
Program	-	-	275,413	-	128,676	335,795	-	-	-	-
Caltrans	253	208	283	320	334	284	239	217	216	206
Total State Revenue	5,395,835	5,872,496	6,173,746	6,036,479	6,047,476	7,373,459	7,292,031	5,530,070	9,197,760	13,956,111
Local Revenue										
Measure A	10,849,462	10,860,313	10,998,120	12,542,551	13,541,585	13,739,881	1,953,742	1,106,168	-	1,180,615
Measure A Interest	85,000	-	85,000	85,000	85,000	85,000	85,000	-	-	-
Measure AA	-	-	-	-	-	-	11,212,364	9,529,277	8,263,882	9,502,745
Measure B	671,308	863,617	730,335	627,198	974,816	991,415	956,702	910,679	808,354	825,310
Metropolitan Transportation Commission										
Golden Gate Bridge Highway and	-			-	-	-	-	-	-	-
Transportation District	_	_	_	_	_	_	30,000	_	_	_
County of Marin	_	_	_	_	_	_	50,000	_	_	_
Miscellaneous	23,759	15,284	30,096	83,574	-	-	170,742	3,453	107,121	_
Total Local Revenue	11,629,529	11,739,214	11,843,551	13,338,323	14,601,401	14,816,296	14,408,550	11,549,577	9,179,357	11,508,670
Total Intergovernmental Revenue	\$ 18,559,479	\$ 19,097,503	\$ 19,069,595	\$ 20,529,158	\$ 22,142,502	\$ 24,340,749	\$ 25,660,130	\$ 26,303,660	\$ 26,855,061	\$ 31,614,100

Source: MCTD Audited Financial Statements

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

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

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

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

Source: MCTD Audited Financial Statements

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

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

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

Source: National Transit Database Reports







MARIN COUNTY TRANSIT DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For The Year Ended June 30, 2023

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmod	lified	_
Internal control over financial reporting:Material weakness(es) identified?	Yes	X	_ No
• Significant deficiency(ies) identified	Yes	X	None Reported
Noncompliance material to financial statements noted?	Yes	X	_ No
<u>Federal Awards</u>			
Type of auditor's report issued on compliance for major programs:	Unmod	lified	<u> </u>
Internal control over major programs:Material weakness(es) identified?	Yes	X	_ No
• Significant deficiency(ies) identified	Yes	X	None Reported
Any audit findings disclosed that are required to be repoint accordance with section 2 CFR 200.516(a)?	rted Yes	X	_ No
Identification of major programs:			
Assistance Listing Number(s)	Name of Federal	Program o	or Cluster
20.507	Federal Transit		
Dollar threshold used to distinguish between type A and t	ype B programs:	<u>\$750,000</u>	
Auditee qualified as low-risk auditee?	X Yes		_ No

SECTION II – FINANCIAL STATEMENT FINDINGS

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

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

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

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

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

See Accompanying Notes to Schedule of Expenditures of Federal Awards

MARIN COUNTY TRANSIT DISTRICT

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

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Marin County Transit District (the District) under programs of the federal government for the fiscal year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST ALLOCATION PLAN

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

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

NOTE 4 – SUBRECIPIENTS

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



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Marin County Transit District (District), California, as of and for the year ended June 30, 2023, and have issued our report thereon dated November 6, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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

Purpose of this Report

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

Pleasant Hill, California November 6, 2023

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INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

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

Report on the Audit of the Financial Statements

Opinion]

We have audited the accompanying financial statements of the Marin County Transit District Bicycle/Pedestrian Projects (Projects) of the Marin County Transit District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Projects as of June 30, 2023, and the change in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Projects' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Other Reporting Required by Government Auditing Standards

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In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2023, on our consideration of the Projects' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Projects' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Projects' internal control over financial reporting and compliance.

Pleasant Hill, California November 6, 2023



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Marin County Transit District's (District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30,2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

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

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the business-type activities and fiduciary fund of District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 6, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Pleasant Hill, California November 6, 2023

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