



**Foothill Transit**

# **GOVERNING BOARD MEETING**

West Covina, CA

Friday, January 26, 2024



Foothill Transit

# Governing Board Meeting AGENDA

GOVERNING BOARD MEETING  
8:30 AM, JANUARY 26, 2024  
Foothill Transit Administrative Office  
2<sup>nd</sup> Floor Board Room  
100 South Vincent Avenue  
West Covina, CA 91790

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. CONFIRMATION OF AGENDA BY CHAIR AND CHIEF EXECUTIVE OFFICER
5. PRESENTATIONS
  - 5.1. Introduction of Foothill Transit Business Partners
  - 5.2. Contractors' Employee Recognition
6. GENERAL PUBLIC COMMENT

CONSENT CALENDAR: Items 7 through 12 are consent items which may be received and filed and/or approved by the board in a single motion. If any member of the Executive Board wishes to discuss a consent item, please request that the item be pulled for further discussion and potential action.

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Public Comment: Members of the public shall have the right to address the Board on any item of interest which is within the jurisdiction of the Board before or during the Board's consideration of the item. Presentation shall not exceed one minute in length. Note: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA.

The public may view and obtain all written information supporting this agenda provided to the board both initially and supplementary prior to the meeting by calling (626) 931-7300 extension 7204, emailing [board.secretary@foothilltransit.org](mailto:board.secretary@foothilltransit.org), or at the agency's offices located at 100 S. Vincent Ave., Suite 200, West Covina, CA 91790. Documents, including PowerPoint handouts, distributed to Board Members by staff or Board Members at the meeting will simultaneously be made available to the public upon request.



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- 7. APPROVAL OF MINUTES FOR THE ANNUAL GOVERNING BOARD MEETING OF MAY 23, 2023
- 8. DECEMBER 2023 FINANCIAL STATEMENTS AND INVESTMENT SUMMARY

*Recommended Action: Receive and file the Financial Statements and Investment Summary year-to-date report through December 31, 2023. The attached Financial Statements and Investment Report summarize Foothill Transit's unaudited operations and financial condition as of December 31, 2023, for the fiscal year ending June 30, 2024.*

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please contact the Chief Executive Officer's office at (626) 931-7300 extension 7204, at least 48 hours prior to the meeting.

If you require translation services, please contact the Chief Executive Officer's office at (626) 931-7300 extension 7204, at least 48 hours prior to the meeting.

Si necesita servicios de traducción, comuníquese con la oficina del Director Ejecutivo llamando al (626) 931-7300, extensión 7204, al menos 48 horas antes de la reunión.

若需要翻譯服務·請在會議前至少48小時聯絡執行長辦公室 ( 626 ) 931-7300分機7204

Nếu quý vị yêu cầu dịch vụ dịch thuật, vui lòng liên hệ với văn phòng Giám Đốc Điều Hành theo số (626) 931-7300, số máy lẻ 7204, ít nhất 48 giờ trước cuộc họp

Kung kailangan mo ng serbisyong pagsasalin, mangyaring makipag-ugnayan sa tanggapan ng Punong Ehekutibong Opisyal sa numerong (626) 931-7300 ekstensyon 7204, hindi bababa ng 48 oras bago ang pagpupulong

번역 서비스가 필요한 경우, 회의가 시작되기 최소 48시간 전에 (626) 931-7300 내선 7204번으로 최고경영자실에 연락하십시오.

通訳／翻訳サービスが必要な際は、ミーティング48時間前までに、CEO/最高経営責任者事務所までに連絡してください。CEO事務所連絡先：(626) 931-7300内線7204

اگر به خدمات ترجمه نیاز دارید، لطفاً دست کم 48 ساعت قبل از شروع جلسه با دفتر مدیر عامل به شماره تلفن (626) 931-7300 داخلی (626) 931-7300 تماس بگیرید

Եթե Ձեզ թարգմանչական ծառայություններ են հարկավոր, հանդիպումից առնվազն 48 ժամ առաջ զանգահարեք Գլխավոր գործադիր տնօրենի գրասենյակ՝ (626) 931-7300 լրացուցիչ 7204 հեռախոսահամարով:

ប្រសិនបើលោកអ្នកត្រូវការសេវាកម្មបកប្រែភាសា សូមទាក់ទងការិយាល័យនាយកក្នុងការប្រតិបត្តិកាមន្ទរស័ព្ទលេខ (626) 931-7300 លេខភ្ជាប់បន្ត 7204, ដែលមានរយៈពេលយ៉ាងតិច 48 ម៉ោងមុនកិច្ចប្រជុំ

في حالة الحاجة لخدمات الترجمة، يرجى الاتصال بمكتب الرئيس التنفيذي على رقم الهاتف (626) 931-7300 (الرقم الداخلي 7204) وذلك قبل 48 ساعة على الأقل من الاجتماع

หากคุณต้องการบริการล่าม โปรดติดต่อสำนักงานประธานเจ้าหน้าที่บริหารที่ (626) 931-7300 ต่อ 7204 อย่างน้อย 48 ชั่วโมงก่อนการประชุม



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9. FISCAL YEAR 2024 SECOND QUARTER BUDGET UPDATE

*Recommended Action: Receive and file the Fiscal Year 2024 Second Quarter Budget Update.*

10. FISCAL YEAR 2023 ANNUAL COMPREHENSIVE FINANCIAL AUDIT REPORT RESULTS

*Recommended Action: Receive and file the Fiscal Year 2023 financial and compliance audit results. The Annual Comprehensive Financial Report (ACFR) including the auditor's opinions, has been provided for you as a separate attachment.*

11. SAN GABRIEL VALLEY TRANSIT FEASIBILITY STUDY

*Recommended Action: Receive and file the San Gabriel Valley Council of Governments San Gabriel Valley Transit Feasibility Study Update.*

12. Foothill Transit CODE OF CONDUCT POLICY UPDATE

*Recommended Action: Receive and file the update on Foothill Transit Code of Conduct Policy.*

13. CHIEF EXECUTIVE OFFICER COMMENT

14. GOVERNING BOARD MEMBER COMMENT

15. ADJOURNMENT



**Foothill Transit**

**STATEMENT OF PROCEEDINGS FOR THE  
ANNUAL MEETING OF THE  
FOOTHILL TRANSIT GOVERNING BOARD**

**FOOTHILL TRANSIT ADMINISTRATIVE OFFICE  
2<sup>ND</sup> FLOOR BOARD ROOM  
100 S. VINCENT AVENUE  
WEST COVINA, CALIFORNIA 91790**

**Tuesday, May 23, 2023  
7:45 a.m.**

**DRAFT**

**1. CALL TO ORDER**

The meeting was called to order by Chair Calaycay at 7:50 a.m.

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by former Foothill Transit Deputy Chief Executive Officer Kevin Parks McDonald.

**3. ROLL CALL**

Roll call was taken by Christina Lopez, Board Secretary.

Present: Member Corey Calaycay, Member Rick Crosby, Member Victor Preciado, Member Emmett Badar, Member Linda Freedman, Member Edward Alvarez, Member Gary Boyer, Member H. Manuel Ortiz, Member Rosario Diaz, Member Michael Cao, Member Richard Barakat, Member Cesar Garcia, Member Becky Shevlin, Member Felicia Williams, Member Fernando Vizcarra, Member Steve Tye, Member Jessica Ancona, Member Cory Moss, Member Valerie Muñoz, Member Hector Delgado, Member Cynthia Sternquist, Member John Lloyd

Absent: Member Daniel Damian, Member Walt Allen

Chair Calaycay recognized newly appointed Governing Board Members Dr. John P. Lloyd and Cesar Garcia.

**4. CONFIRMATION OF AGENDA BY CHAIR AND CHIEF EXECUTIVE OFFICER**

After discussion, by Common Consent, the Chair and Chief Executive Officer confirmed the agenda as presented.

**Agenda Item No. 7**

**5. PRESENTATIONS**

5.1. Introduction of Foothill Transit Business Partners

There were no presentations by Foothill Transit business partners.

5.2. Contractors' Employee Recognition

Shawn Chavira, General Manager, introduced the Arcadia location Transdev employees of the month.

Cynthia Acuna - Employee of the Month  
Larry Horrice- Operator of the Month

5.3. Kevin Parks McDonald Recognition

Doran Barnes, CEO, recognized former Deputy CEO Kevin Parks McDonald for his over 20 years of service to Foothill Transit. Governing Board Members from the cities of Claremont, Duarte, La Verne, Pasadena, South El Monte, and West Covina presented Mr. Parks McDonalds will certificates of recognition from their respective city.

5.4. Crossroads Inc. Presentation

Chair Calaycay stated that Crossroads is an organization in Claremont that supports women leaving the prison system. He shared that he attended an event where Keolis employee Bernadette Corvera shared her experience with Crossroads and her eventual hiring by Foothill Transit's contractor Keolis. Chair Calaycay introduced Steve Shaw, Keolis Chief Operating Officer, who shared that Keolis works with various organizations throughout the country that gives individuals second chances. Mr. Shaw introduced Larissa Matzek, Crossroads Chief Operating Officer, who presented an overview of the organization. Doug Brockwell, Keolis General Manager for the Pomona facility introduced Bernadette Corvera. Ms. Corvera shared her story on how Crossroads helped her and her eventual employment with Keolis.

**6. REVIEW & APPROVAL OF THE MINUTES**

Approval of the minutes for the Governing Board Meeting of October 28, 2023.

Motion by Member Ortiz, second by Member Ancona, the minutes for the Regular Meeting of October 28, 2023 were approved. Motion carried 22-0.

7. **ANNOUNCEMENT OF CLUSTER 2, CLUSTER 3, AND CLUSTER 5 ELECTION RESULTS**

Cluster 2

Member Gary Boyer was reelected Executive Board Member and Member Edward Alvarez was elected Executive Board Alternate.

Cluster 3

Member Becky Shevlin was reelected Executive Board Member and Member Felicia Williams was elected Executive Board Alternate.

Cluster 5

In a special election to fill the vacant Executive Board Alternate seat for Cluster 5, Member John P. Lloyd was elected Executive Board Alternate.

8. **FOOTHILL TRANSIT FORWARD SERVICE CHANGE RECOMMENDATIONS**

Recommendation: Authorize the Chief Executive Officer to implement the proposed service change recommendations.

Joe Raquel, Director of Planning, presented this item.

Mr. Raquel presented an overview of the public outreach process and reviewed the proposed service changes. Implementation of the proposed service changes will begin with the fall service change.

Mike Greenspan, Armando Herman, and Farhan Motiwala each provided public comment on the Foothill Transit Forward service change recommendations. Staff responded to questions and comments from the Governing Board.

Motion by Member Badar, second by Member Crosby, to approve. Motion carried 22-0.

9. **PROPOSED FISCAL YEAR 2024 BUSINESS PLAN AND BUDGET**

Recommendation: Approve Foothill Transit's proposed Business Plan, Budget, and Performance Targets for Fiscal Year 2024.

Jorge Quintana, Budget and Grants Manager, presented this item.

Mr. Quintana reported that a \$229.6 million total budget is proposed for Fiscal Year 2024, of which \$162.1 million are operating expenses and \$67.5 million are capital investments. The agency expects to operate approximately 876,000 vehicle service hours and 8.3 million passenger boardings.

Mike Greenspan, Armando Herman, and Farhan Motiwala each provided public comment on the proposed Fiscal Year 2024 budget. Staff responded to questions and comments from the Governing Board.

Motion by Member Lloyd, second by Member Delgado, to approve. Motion carried 22-0.

10. **CHIEF EXECUTIVE OFFICER COMMENT**

Comments by Mr. Doran J. Barnes, Chief Executive Officer, Foothill Transit.

Mr. Barnes reported the following:

- Staff is tracking the debt ceiling negotiations in Washington, DC, as it may affect Foothill Transit's supplemental CARES Act grant.
- The Mt. SAC Transit Center has been completed and information on the opening would be provided.
- The Cal Poly Pomona Transit Center project is still in the planning stages and the project is advancing.
- Hydrogen fueling station began operation this week at the Pomona facility.
- Requested Governing Board Members to meet in the lobby for a photo at the conclusion of the meeting.

11. **GOVERNING BOARD MEMBER COMMENT**

Comments by Members of the Foothill Transit Governing Board.

- Member Preciado thanked everyone who participated in the Heart of the Foothills event. Also shared that he rode the Silver Streak from Downtown LA to Pomona. He stated it was a wonderful experience.
- Member Freedman said she appreciated participating in Foothill Transit's event at the LA County Fair and seeing Foothill Transit recognize its employees.
- Member Williams thanked Foothill Transit for having the double-deck bus at the Earth Day event at Muir High School.
- Member Lloyd thanked Foothill Transit staff and board for supporting the Silver Streak bus service to Cal Poly.
- Member Tye congratulated LaShawn King Gillespie in her promotion to Deputy CEO.
- Member Garcia congratulated those board members who recently got elected to the Foothill Transit Executive Board
- Chair Calaycay congratulated Foothill Transit staff members that were recognized for their years of service at the LA County Fair event.



12. **GENERAL PUBLIC COMMENT**

Mike Greenspan provided one minute of General Public Comment.

Farham Motiwala provided one minute of General Public Comment.

Armando Herman provided one minute of General Public Comment.

**ADJOURNMENT**

Adjournment for the May 23, 2023, Foothill Transit Governing Board Meeting.

There being no further business, the Foothill Transit Governing Board meeting adjourned in the memory of former LA County Supervisor Gloria Molina at 9:24 a.m.



January 26, 2024

To: Governing Board

Subject: **December 2023 Financial Statements and Investment Summary**

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### **Recommendation**

Receive and file the Financial Statements and Investment Summary year-to-date report through December 31, 2023.

The attached Financial Statements and Investment Report summarize Foothill Transit's unaudited operations and financial condition as of December 31, 2023, for the fiscal year ending June 30, 2024.

### **Balance Sheet Analysis** (Attachment A):

#### Assets

The balance sheet, as of December 31, 2023, shows total assets at \$436.93 million. This total consists primarily of \$219.45 million in fixed assets, \$197.85 million in cash and investments and \$19.22 million in receivable and prepaid assets. Foothill Transit's cash position of \$197.85 million is \$19.85 million more than the previous month, and is \$64.71 million more than last year in December.

#### Liabilities

The accounts payable balance is \$9.27 million. Accounts Payables include operation and maintenance expenses for \$7.95 million and \$1.30 million for fuel.

The deferred revenue of \$151.59 million represents funds that are reserved for planned capital expenditures, such as, upcoming bus procurements and security enhancements construction activities at Arcadia-Irwindale and Pomona yards.

Our current investments are held in financial instruments pursuant to Foothill Transit's investment policy. The cash and investments balance includes \$96.52 million in liquid accounts held with Bank of Montreal (BMO); \$10.85 million in interest bearing money market accounts with Bank of Montreal; \$68,121 with



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Chase; and \$66.41 million invested in the Local Agency Investment Fund (LAIF).

The current interest rates on all accounts are included on Attachment B. The LAIF investment, the CD investments, and the deposits with Chase earn interest and are held for future capital and operating funding requirements.

With the maturity of the 6-month treasury bill on November 30, 2023, Foothill Transit reinvested the funds to multiple certificates of deposit (CDs) with staggered maturity dates to minimize any potential cash flow concerns. The total return of investment for these CDs is projected to be \$1.04 million and potentially more when funds are re-invested after maturity. The breakdown of the investments are listed on Attachment B.

Also in December, the Foothill Transit Finance team successfully negotiated with BMO to increase the interest rate for the two money market accounts. Both money market accounts are now yielding 4.25 percent compared to 2.50 percent previously. With the higher yielding money market accounts, Foothill Transit plans to allocate more money from the general checking account to money markets accounts to maximize investment opportunities while conservatively planning to meet cash flow needs.

**Operating and Capital Revenues and Expense Analysis (Attachment C)**

Fare revenues fiscal year-to-date were up 20.86 percent compared to budget due to the summer fare sale and gradual ridership increases. EZ transit pass revenue significantly decreased due to Metro's fare change and fare cap implementation. However, based on preliminary EZ Pass average fare calculation, the Foothill Transit reimbursement rate for EZ Pass boardings will likely increase in the upcoming months.

Revenues for FY24 reflect application of the American Rescue Plan Additional Assistance (ARP) federal funds. The budget anticipated spending approximately \$25 million of the emergency federal funds on operating expenses.

Operating costs through December 2023 were \$65.17 million, which is \$10.04 million less than the budget and \$8.94 million more than December 2022. The



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actual expenditures were less than the budget due to lower than planned service delivery as Foothill Transit continues to implement service changes as recommended by Foothill Transit Forward. Subsequently, Foothill Transit is also experiencing significant savings as it relates to fuel. Of the \$65.17 million expenditures, \$49.37 million reflects operating costs for the Arcadia and Pomona operations contractors. Other operating expenses include fuel, which was \$6.07 million through December 2023.

Capital expenditures through December were \$9.60 million compared with \$29.97 last year at this time. The annual budget for capital expenditures includes the procurement and construction of 19 zero emission buses and a hydrogen fueling station, security enhancements at the Arcadia-Irwindale and Pomona operations and maintenance facilities, and CNG equipment replacement at the Pomona operations and maintenance facility.

**Total Disbursements** (Attachment D)

Total disbursements reflect invoices paid for the month of December 2023; they do not reflect the total expense incurred for the month. If an expense has incurred but not yet invoiced or paid, Foothill Transit accrues the expense to track the expenses properly during the month in which they actually occurred. Total disbursements for December 2023 were \$21.97 million. Capital disbursements totaled \$4.54 million and other significant disbursements include \$5.51 million to Keolis and \$9.72 million to Transdev for bus operating services.

Sincerely,

Michelle Lopes Caldwell  
Director of Finance and Treasurer

Doran J. Barnes  
Chief Executive Officer

Attachments

**Foothill Transit  
Balance Sheet  
As of December 31, 2023**

**Assets**

## Current Assets:

Cash	\$197,850,268
Due from government agencies	15,367,055
Other receivables	2,631,622
Other assets	1,217,339
Total Current Assets	\$217,066,284

## Non current Assets:

Notes receivable	\$411,476
Property & Equipment (net of depreciation)	219,452,847
Total Non Current Assets	\$219,864,323

Total Assets	\$436,930,607
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**Liabilities and Equity**

## Current Liabilities:

Accounts payable and accrued liabilities	\$9,268,343
Deferred Revenue	151,594,180
Total Liabilities	\$160,862,523

**Equity**

## Fund Balance:

Investment in Capital Assets	\$219,452,847
Current Year Change	12,059,920
Reserve	\$44,555,318
Total Equity	\$276,068,085

Total Liabilities and Equity	\$436,930,607
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**Summary of Cash and  
Investment Account  
For December 31, 2023**

	Interest Rate	Term	Principal/ Book & Market Value
Cash:			
Bank of Montreal-Reg. Checking	N/A	Demand Deposit	\$80,422,676
Petty Cash	N/A	N/A	900
Revolving Fund - Transit Stores	N/A	N/A	400
Bank of Montreal-Excise Tax/LCFS #1106	N/A	Demand Deposit	16,099,481
Bank of Montreal-Money Market #1110	4.25%	Demand Deposit	5,141,470
Bank of Montreal-Money Market #1111	4.25%	Demand Deposit	5,100,324
Bank of Montreal-LCTOP #1108	2.50%	Demand Deposit	608,219
Chase Business Saving #1109	0.01%	Demand Deposit	68,121
LAIF Investment #1141	3.59%	Demand Deposit	66,408,677
Total Cash and Investments			<u>\$173,850,268</u>
Investments:			
Bank of Montreal - Certificate Deposit (CD)			
1 Maturity - 06/12/2024 - 6 months	5.45%	Certificate Deposit	\$6,000,000
2 Maturity - 09/12/2024 - 9 months	5.50%	Certificate Deposit	8,000,000
3 Maturity - 12/12/2024 - 12 months	5.50%	Certificate Deposit	10,000,000
Subtotal Investments			<u>\$24,000,000</u>
Total Cash and Investments			<u>\$197,850,268</u>

**Foothill Transit**  
**Statement of Revenue and Expense**  
**For Month Ended December 31, 2023**

	Actual YTD December 2023	Budget YTD December 2023	Variance	Actual YTD December 2022
<b>Fare Revenue</b>				
Farebox	\$1,890,093	\$1,335,299	41.55%	\$1,730,936
Pass Sales	946,441	901,207	5.02%	823,212
TAP Cash Purse	1,149,241	984,684	16.71%	1,064,952
MetroLink & Access Service	155,123	135,257	14.69%	132,343
EZ Transit Pass	92,707	146,554	(36.74%)	158,012
<b>Total Operating Revenue</b>	<b>\$4,233,605</b>	<b>\$3,503,001</b>	<b>20.86%</b>	<b>\$3,909,455</b>
<b>Operating Subsidies and Other</b>				
Transportation Development Act	\$9,903,856	\$11,407,191	(13.18%)	\$10,766,749
State Transit Assistance (STA)	1,767,303	4,051,342	(56.38%)	0
Senate Bill 1 - STA	1,353,726	2,030,589	(33.33%)	0
Senate Bill 1 - STA BSCP	152,973	229,460	(33.33%)	0
CalTrans-LCTOP	381,432	381,432	0.00%	0
Prop A 40% Discretionary	6,178,565	9,267,847	0.00%	0
Prop A 40% BSCP	2,440,036	3,660,054	0.00%	0
Prop A Exchange	1,524,293	1,524,293	0.00%	2,800,000
Prop C BSIP	348,154	522,231	(33.33%)	0
Prop C Base Restructuring	747,797	1,121,696	(33.33%)	0
Prop C Transit Service Expansion	124,614	186,922	(33.33%)	0
Transit Security	459,506	689,259	(33.33%)	0
Measure R	6,322,855	7,407,436	(14.64%)	0
Measure M	4,231,600	4,231,600	0.00%	0
Federal ARP Act 5307	25,000,000	25,000,000	0.00%	37,777,893
Miscellaneous Transit Revenues	0	0	0.00%	971,277
<b>Total Subsidies and Other</b>	<b>\$60,936,708</b>	<b>\$71,711,349</b>	<b>(15.03%)</b>	<b>\$52,315,919</b>
<b>Total Operating Revenue</b>	<b>\$65,170,313</b>	<b>\$75,214,350</b>	<b>(13.35%)</b>	<b>\$56,225,374</b>
<b>Other Revenues</b>				
Gain on Sale of Fixed Assets	\$0	\$0	0.00%	\$19,480
Auxiliary Revenue	392,250	392,250	0.00%	656,118
<b>Total Other Revenues</b>	<b>\$392,250</b>	<b>\$392,250</b>	<b>0.00%</b>	<b>\$675,598</b>
<b>Total Operating and Other Revenues</b>	<b>\$65,562,563</b>	<b>\$75,606,600</b>	<b>(13.28%)</b>	<b>\$56,900,972</b>
<b>Operating Expenses</b>				
Customer Service & Operations	\$56,871,874	\$64,938,165	(12.42%)	\$48,970,120
Maintenance & Vehicle Technology	563,637	571,350	(1.35%)	468,132
Marketing & Communications	1,087,169	1,241,810	(12.45%)	854,878
Information Technology	1,125,349	1,459,540	(22.90%)	1,031,593
Administration	911,746	1,141,700	(20.14%)	899,494
Procurement	431,689	510,310	(15.41%)	411,286
Government Relations	228,006	393,830	(42.11%)	200,097
Finance	897,970	1,165,395	(22.95%)	906,503
Safety and Security	1,527,606	1,840,850	(17.02%)	977,001
Planning	638,946	789,230	(19.04%)	671,385
Facilities	886,320	1,162,170	(23.74%)	834,884
<b>Total Operating Expenses</b>	<b>\$65,170,313</b>	<b>\$75,214,350</b>	<b>(13.35%)</b>	<b>\$56,225,374</b>
<b>Other Expenses</b>				
Property Management	\$232,250	\$232,250	0.00%	\$232,250
Special Services	160,000	160,000	0.00%	260,080
<b>Total Other Expenses</b>	<b>\$392,250</b>	<b>\$392,250</b>	<b>0.00%</b>	<b>\$492,330</b>
<b>Total Operating and Other Expenses</b>	<b>\$65,562,563</b>	<b>\$75,606,600</b>	<b>(13.28%)</b>	<b>\$56,717,704</b>
<b>Capital Revenues</b>				
Capital Grants	\$9,598,562	\$33,739,446	(71.55%)	\$29,965,905
<b>Capital Expenditures</b>				
Capital Expenditures	\$9,598,562	\$33,739,446	(71.55%)	\$29,965,905

# Bank Acc. - Detail Trial Bal.

01/10/2024

Period: 12/01/23..12/31/23

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FOOTHILLTRANSIT\SSUWANNARAT

## ATTACHMENT D

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 12/01/23..12/31/23

Posting Date	Document Type	Document No.	Vendor	Amount	Entry No.
12/01/23	Payment	W001112	Charter Communications Inc. ZBA	185.99	876490
12/01/23	Payment	W001113	Frontier ZBA	468.46	876492
12/04/23	Payment	60709	C.A.T. Specialties	379.66	873905
12/04/23	Payment	60710	Gotcha Media Holdings, LLC	6,980.00	873907
12/04/23	Payment	60711	Pulsar Advertising	26,488.75	873909
12/04/23	Payment	60712	Thomas J. Koontz	8,301.12	873917
12/04/23	Payment	60713	Sensis Inc	6,337.50	873921
12/04/23	Payment	60714	APTA	1,500.00	873923
12/04/23	Payment	60715	Pasadena Weekly	248.75	873925
12/04/23	Payment	60716	God's Pantry	1,000.00	873927
12/04/23	Payment	60717	Southern California Public Radio	7,562.50	873929
12/04/23	Payment	60718	Neighborhood Homework House	5,000.00	873931
12/04/23	Payment	60719	Assistance League of Covina Valley	5,000.00	873933
12/04/23	Payment	60720	Chamber of Commerce - Pomona	260.00	873935
12/04/23	Payment	60721	Rodger's Food Service	851.68	873937
12/04/23	Payment	60722	Green's Lock and Safe	332.94	873939
12/04/23	Payment	60723	Psomas	1,525.22	873941
12/04/23	Payment	60724	AT and T - 5075	40.98	873943
12/05/23	Payment	60725	ITsavvy LLC	3,837.47	873945
12/05/23	Payment	60726	MRC Smart Technology Solutions	107.46	873947
12/05/23	Payment	60727	Green Thumb Indoor Plant	449.75	873949
12/05/23	Payment	60728	Birdi Systems, Inc.	1,344.00	873951
12/05/23	Payment	60729	Commercial Building Management Services, Inc.	4,885.53	873953
12/05/23	Payment	60730	Tri - Signal Integration, Inc.	175.00	873955
12/05/23	Payment	E100983	Clean Energy	189,824.72	874104
12/05/23	Payment	E100984	Clean Energy	160,431.20	874106
12/05/23	Payment	E100985	Clean Energy	57,872.32	874108
12/05/23	Payment	E100986	Clean Energy	89,197.49	874110
12/05/23	Payment	E100987	Clean Energy	271,696.26	874112
12/05/23	Payment	E100988	Clean Energy	98,896.56	874114
12/05/23	Payment	W001114	Verizon Business-15043 ZBA	2,270.87	876494
12/05/23	Payment	W001115	Universal Waste Management ZBA	4,129.54	876496
12/06/23	Payment	60731	ODP Business Solutions, LLC	633.84	874116
12/06/23	Payment	60732	Birdi Systems, Inc.	24,291.00	874119
12/06/23	Payment	60733	Apollo Electric	11,925.00	874121
12/06/23	Payment	60734	BroadLux Inc.	4,348.20	874124
12/06/23	Payment	60735	United Site Services of California, Inc.	538.67	874126
12/06/23	Payment	60736	Qualified Mobile, Inc.	779.31	874128
12/06/23	Payment	60737	Tri - Signal Integration, Inc.	3,417.03	874131
12/06/23	Payment	60738	ECAMSECURE	36,742.14	874134
12/06/23	Payment	60739	Day - Lite Maintenance Co. Inc.	4,011.49	874140
12/06/23	Payment	60740	Christina Lopez	60.62	874145
12/06/23	Payment	60741	State of California Department of Transportation	17,064.00	874147
12/06/23	Payment	60742	FEDEX Corp.	11.10	874149



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Posting Date	Document Type	Document No.	Vendor	Amount	Entry No.
12/06/23	Payment	60743	Thomas J. Koontz	6,560.00	874151
12/06/23	Payment	60744	Verizon Wireless	90.04	874154
12/06/23	Payment	E100989	Keolis Transit America, Inc.	12,086.31	874252
12/06/23	Payment	E100990	Keolis Transit America, Inc.	12,210.18	874254
12/06/23	Payment	E100991	Transdev Services, Inc.	2,668,288.86	874256
12/06/23	Payment	E100992	Transdev Services, Inc.	379,468.88	874258
12/06/23	Payment	E100993	Keolis Transit America, Inc.	1,920,342.28	874260
12/06/23	Payment	E100994	Keolis Transit America, Inc.	256,514.11	874262
12/06/23	Payment	W001116	Azusa Light & Water ZBA	182.97	876498
12/06/23	Payment	W001117	Verizon Business-15043 ZBA	1,314.85	876500
12/06/23	Payment	W001118	Verizon Business-15043 ZBA	4,878.73	876502
12/07/23	Payment	60745	California Transit Association	28,550.00	874264
12/07/23	Payment	60746	Temple City Chamber of Commerce	1,000.00	874267
12/07/23	Payment	60747	AFLAC	1,869.46	874269
12/07/23	Payment	60748	Allied Administrators for Delta Dental	6,909.55	874271
12/07/23	Payment	60749	Instant Signs Inc.	950.59	874273
12/07/23	Payment	60750	Pasadena Weekly	248.75	874275
12/07/23	Payment	60751	Tony Garcia Photography	9,000.00	874277
12/07/23	Payment	60752	CaliforniaChoice Benefit Administration	67,848.54	874279
12/07/23	Payment	60753	Landmark Healthplan of California, Inc.	1,071.01	874281
12/07/23	Payment	60754	Vision Service Plan - (CA)	1,517.54	874283
12/07/23	Payment	60755	Pre-Paid Legal Services, Inc	163.50	874285
12/07/23	Payment	60756	Christopher Pieper	27.84	874287
12/07/23	Payment	W001119	At and T- 5019 ZBA	794.08	876504
12/08/23	Payment	E100995	Powell Consulting DC, LLC	5,500.00	874442
12/08/23	Payment	E100996	The Thurman Group, Inc.	7,398.10	874444
12/08/23	Payment	60757	Zonar Systems Inc.	2,467.37	874660
12/08/23	Payment	W001120	Frontier ZBA	253.74	876506
12/11/23	Payment	E100997	Transdev Services, Inc.	185,594.76	874662
12/11/23	Payment	E100998	Keolis Transit America, Inc.	174,511.32	874664
12/11/23	Payment	E100999	Keolis Transit America, Inc.	105,000.45	874666
12/11/23	Payment	E101000	Keolis Transit America, Inc.	104,009.29	874668
12/11/23	Payment	E101001	Darold D. Pieper Attorney at Law	8,930.00	874670
12/11/23	Payment	E101002	Matthew Nakano	73.38	874672
12/11/23	Payment	E101003	Matthew Nakano	149.60	874674
12/11/23	Payment	W001121	Southern California Edison Co. ZBA	205.99	876508
12/12/23	Payment	E101004	Keolis Transit America, Inc.	611.56	874835
12/12/23	Payment	E101005	Keolis Transit America, Inc.	1,012.02	874837
12/12/23	Payment	E101006	Canto, Inc.	858.34	874839
12/12/23	Payment	E101007	Yoko Igawa	14.00	874841
12/12/23	Payment	E101008	Selina Suwannarat	43.49	874843
12/12/23	Payment	E101009	Vanessa Rodriguez	107.18	874845
12/12/23	Payment	E101010	Jorge Anthony Quintana Jr.	56.74	874847
12/12/23	Payment	W001122	Frontier ZBA	451.49	876510
12/12/23	Payment	W001123	The Gas Co. ZBA	1,164.32	876512
12/12/23	Payment	W001124	Verizon Wireless ZBA	3,738.50	876514
12/12/23	Payment	W001125	Verizon Wireless ZBA	15,096.04	876516

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<b>Posting Date</b>	<b>Document Type</b>	<b>Document No.</b>	<b>Vendor</b>	<b>Amount</b>	<b>Entry No.</b>
12/12/23	Payment	W001155	Giro Inc. ZBA	118,393.00	876518
12/13/23	Payment	60758	Sensis Inc	7,962.50	874849
12/13/23	Payment	60759	Home Depot Credit Services	1,193.21	874851
12/13/23	Payment	60760	Azteca Landscape	4,614.96	874853
12/13/23	Payment	60761	Linda Garrison	525.00	874855
12/13/23	Payment	60762	Environmental Systems Research Inst	5,250.00	874857
12/13/23	Payment	60763	Zonar Systems Inc.	6,290.00	874859
12/13/23	Payment	60764	ITsavvy LLC	166.92	874862
12/13/23	Payment	60765	Crown Castle USA Inc.	952.50	874864
12/13/23	Payment	60766	Henry Lopez	15.00	874866
12/13/23	Payment	60767	Connecta Satellite Solutions LLC	257.48	874868
12/13/23	Payment	60768	Capitol Government Contract Specialists	12,062.50	874870
12/13/23	Payment	60769	Qualified Mobile, Inc.	369.73	874872
12/13/23	Payment	60770	Encore Awards and Marking	624.64	874874
12/13/23	Payment	60771	Slater Glass and Mirror	675.00	874876
12/13/23	Payment	W001126	Frontier ZBA	1,709.00	876520
12/13/23	Payment	W001154	International City Management Assoc Retirement Co	58,390.44	876522
12/14/23	Payment	60637V	Notification trans to Spanish for 800 number-Void	129.00	875006
12/14/23	Payment	60699V	Splunk Enterprise-Void	37,100.00	875008
12/14/23	Payment	60772	Birdi Systems, Inc.	83,155.37	875009
12/14/23	Payment	60773	Green Thumb Indoor Plant	213.00	875012
12/14/23	Payment	60774	County of L.A. - Sheriff's Dept.	89,908.09	875014
12/14/23	Payment	60775	Corodata Records Management, Inc.	176.00	875016
12/14/23	Payment	60776	City of Glendora	38,252.06	875019
12/14/23	Payment	60777	Grainger	267.11	875021
12/14/23	Payment	60778	Azteca Landscape	3,947.00	875023
12/14/23	Payment	E101011	Life Insurance Company of North America	7,233.69	875025
12/14/23	Payment	E101012	Transdev Services, Inc.	1,726,567.99	875027
12/14/23	Payment	E101013	Keolis Transit America, Inc.	1,185,732.51	875029
12/14/23	Payment	W001127	Wright Express ZBA	108.01	876524
12/14/23	Payment	W001128	Frontier ZBA	866.55	876526
12/14/23	Payment	060637V	Notification translation to Spanish for 800 number	-129.00	876831
12/14/23	Payment	060699V	Splunk Enterprise	-37,100.00	876833
12/14/23	Payment	60637V	Notification translation to Spanish for 800 number	-129.00	876835
12/14/23	Payment	60699V	Splunk Enterprise	-37,100.00	876837
12/15/23	Payment	60550V	C.A.T. Specialties	-487.94	875031
12/15/23	Payment	60779	C.A.T. Specialties	487.94	875033
12/15/23	Payment	60780	Birdi Systems, Inc.	6,563.64	875035
12/15/23	Payment	60781	Dean Gazzo Roistacher LLP	4,009.00	875039
12/15/23	Payment	60782	Lourdes L. Alvarez	80.00	875042
12/15/23	Payment	60783	CMAX Commercial Maintenance Inc	2,500.00	875044
12/15/23	Payment	60784	The Bus Coalition, Inc.	1,500.00	875046
12/15/23	Payment	60785	Concur Technologies, Inc.	2,584.05	875048
12/15/23	Payment	W001129	Azusa Light & Water ZBA	59.36	876528
12/15/23	Payment	W001130	Azusa Light & Water ZBA	100.66	876530
12/15/23	Payment	W001131	Azusa Light & Water ZBA	100.66	876532
12/15/23	Payment	W001132	Azusa Light & Water ZBA	134.62	876534

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<b>Posting Date</b>	<b>Document Type</b>	<b>Document No.</b>	<b>Vendor</b>	<b>Amount</b>	<b>Entry No.</b>
12/15/23	Payment	W001133	Athens Services ZBA	244.42	876536
12/15/23	Payment	W001134	Azusa Light & Water ZBA	624.84	876538
12/15/23	Payment	W001135	AT and T -5025 ZBA	635.94	876540
12/15/23	Payment	W001136	Athens Services ZBA	1,325.59	876542
12/15/23	Payment	W001137	Verizon Business-15043 ZBA)	2,570.02	876544
12/15/23	Payment	W001138	Verizon	3,451.19	876546
12/18/23	Payment	60786	Team One Management	10,000.00	875095
12/18/23	Payment	60787	Industry Public Utility Commission	1,610.24	875097
12/18/23	Payment	E101014	Stantec Consulting Services Inc.	1,352.50	875099
12/18/23	Payment	E101015	Josh Landis	111.20	875101
12/18/23	Payment	E101016	Transdev Services, Inc.	9,225.03	875103
12/19/23	Payment	60788	Captive Audience Marketing, Inc.	129.00	875105
12/19/23	Payment	60789	Thomas J. Koontz	5,952.40	875107
12/19/23	Payment	60790	C.A.T. Specialties	1,005.16	875111
12/19/23	Payment	60791	Pasadena Weekly	648.75	875114
12/19/23	Payment	60792	MRC Smart Technology Solutions	965.28	875117
12/19/23	Payment	60793	Granite Telecommunications, LLC	10,430.66	875119
12/19/23	Payment	60794	Chamber of Commerce - Claremont	6,000.00	875121
12/19/23	Payment	60795	Instant Signs Inc.	3,129.39	875124
12/19/23	Payment	60796	Gotcha Media Holdings, LLC	8,425.00	875126
12/19/23	Payment	60797	Pulsar Advertising	6,047.50	875129
12/19/23	Payment	60798	Digium Cloud Services, LLC	2,782.21	875131
12/19/23	Payment	60799	ACC Business	1,080.53	875134
12/19/23	Payment	60800	Deanna Forrest	297.34	875136
12/19/23	Payment	E101017	City of Diamond Bar	39,968.45	875247
12/19/23	Payment	E101018	Transdev Services, Inc.	9,356.90	875249
12/19/23	Payment	E101019	Clean Energy	3,311,069.06	875251
12/19/23	Payment	E101020	Connixt, Inc.	74,400.00	875253
12/19/23	Payment	E101021	Clean Energy	117,992.41	875255
12/19/23	Payment	E101022	Kevin Oliver Parks McDonald	13,650.00	875257
12/19/23	Payment	E101023	Translating Services, Inc.	68.15	875259
12/19/23	Payment	W001139	AT and T -5025 ZBA	1,375.70	876548
12/19/23	Payment	W001156	BMO Financial Group-Corporate Credit Card ZBA	23,576.83	876550
12/20/23	Payment	60801	Qualified Mobile, Inc.	369.73	875261
12/20/23	Payment	60802	TransitTalent.com LLC	125.00	875263
12/20/23	Payment	60803	Pulsar Advertising	46,515.81	875265
12/20/23	Payment	60804	Verizon Wireless	90.04	875272
12/20/23	Payment	60805	AT and T - 5075	40.98	875274
12/20/23	Payment	60806	Amazon Web Services, Inc	749.21	875276
12/20/23	Payment	60807	T-Mobile USA Inc.	778.77	875278
12/20/23	Payment	60808	Pasadena Weekly	248.75	875280
12/20/23	Payment	60809	Day - Lite Maintenance Co. Inc.	34.89	875282
12/20/23	Payment	E101024	Metrokinetics, Inc.	427.50	875625
12/20/23	Payment	W001140	Southern California Edison Co. ZBA	2,426.36	876552
12/20/23	Payment	W001141	Southern California Edison Co. ZBA	19,986.28	876554
12/21/23	Payment	60810	Western Office Interiors	26,464.99	875627
12/21/23	Payment	60811	Metrolink	7,005.25	875629

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Posting Date	Document Type	Document No.	Vendor	Amount	Entry No.
12/21/23	Payment	60812	Council of University Transportation Centers	2,500.00	875631
12/21/23	Payment	60813	CSUSB Philanthropic Foundation	1,500.00	875633
12/21/23	Payment	E101025	Keolis Transit America, Inc.	16,000.00	875859
12/21/23	Payment	E101026	Christina Lopez	184.26	875861
12/21/23	Payment	E101027	Access Pacific, Inc.	373,962.70	875863
12/21/23	Payment	E101028	Dalila Ortiz	40.00	875865
12/21/23	Payment	E101029	Transdev Services, Inc.	11,065.86	875867
12/21/23	Payment	E101030	Transdev Services, Inc.	5,447.44	875869
12/21/23	Payment	E101031	Transdev Services, Inc.	15,889.55	875871
12/21/23	Payment	E101032	Transdev Services, Inc.	58,727.53	875873
12/22/23	Payment	60814	Birdi Systems, Inc.	4,250.00	875875
12/22/23	Payment	60815	Instant Signs Inc.	2,225.35	875877
12/22/23	Payment	60816	Tri - Signal Integration, Inc.	2,917.03	875879
12/22/23	Payment	60817	Psomas	13,196.71	875881
12/22/23	Payment	60818	Insight Public Sector, Inc.	149.84	875883
12/22/23	Payment	60819	Steven Leonard Gandara	38.27	875885
12/22/23	Payment	60820	Stantec Architecture	1,006.50	875887
12/22/23	Payment	60821	Apollo Electric	11,925.00	875889
12/22/23	Payment	60822	Center for Transportation and the Environment, Inc	15,739.00	875891
12/22/23	Payment	60823	J.J. Keller and Associates, Inc.	688.00	875893
12/22/23	Payment	E101033	Transdev Services, Inc.	1,015.20	875895
12/22/23	Payment	E101034	SP6 Consulting, LLC	37,100.00	875897
12/22/23	Payment	E101035	Transdev Services, Inc.	5,447.44	875899
12/22/23	Payment	E101036	Keolis Transit America, Inc.	2,108,285.74	875901
12/22/23	Payment	E101037	Transdev Services, Inc.	2,828,745.54	875903
12/22/23	Payment	W001142	Suburban Water Systems ZBA	175.75	876556
12/22/23	Payment	W001143	Suburban Water Systems ZBA	407.11	876558
12/22/23	Payment	W001144	Suburban Water Systems ZBA	493.51	876560
12/22/23	Payment	W001145	Waste Management Collection & Recycling ZBA	685.56	876562
12/25/23	Payment	60824	Tri - Signal Integration, Inc.	955.00	875905
12/25/23	Payment	60825	Thompson Coburn LLP	12,025.74	875908
12/25/23	Payment	60826	Weatherite Corporation	161.75	875910
12/25/23	Payment	60827	Skyline Pest Control	115.00	875912
12/25/23	Payment	60828	Houalla Enterprises, Ltd.	77,354.08	875914
12/25/23	Payment	60829	ATKINSON ANDELSON LOYA RUUD AND ROMO	1,311.00	875916
12/25/23	Payment	60830	Stantec Architecture	13,847.78	875918
12/25/23	Payment	60831	ODP Business Solutions, LLC	460.15	875920
12/25/23	Payment	60832	Cintas Corporation 52	364.13	875922
12/25/23	Payment	60833	Covyd Tacos	1,800.00	875924
12/26/23	Payment	E101038	Transdev Services, Inc.	12,104.21	875926
12/26/23	Payment	E101039	Transdev Services, Inc.	15,838.08	875928
12/26/23	Payment	E101040	Transdev Services, Inc.	15,847.27	875930
12/26/23	Payment	E101041	Doran J. Barnes	3,391.71	875932
12/26/23	Payment	W001146	Ready Refresh ZBA	79.91	876564
12/26/23	Payment	W001147	Southern California Edison Co. ZBA	1,656.61	876566
12/26/23	Payment	W001148	Southern California Edison Co. ZBA	16,607.45	876568
12/26/23	Payment	W001157	State Compensation Insurance Fund ZBA	3,654.08	876680

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Posting Date	Document Type	Document No.	Vendor	Amount	Entry No.
12/27/23	Payment	60834	Bear Communications, Inc.	7,902.98	875934
12/27/23	Payment	60835	A1 Event & Party Rentals	26,191.56	875936
12/27/23	Payment	60836	Gotcha Media Holdings, LLC	6,980.00	875938
12/27/23	Payment	E101042	Transdev Services, Inc.	4,505.37	875940
12/27/23	Payment	E101043	Transdev Services, Inc.	5,993.46	875942
12/27/23	Payment	E101044	Transdev Services, Inc.	6,193.56	875944
12/27/23	Payment	W001149	Frontier ZBA	62.57	876570
12/27/23	Payment	W001153	International City Management Assoc Retirement Co	66,660.15	876572
12/27/23	Payment	W001158	Quadient Finance USA, Inc. ZBA	560.00	876682
12/28/23	Payment	E101045	Transdev Services, Inc.	185,637.09	876573
12/28/23	Payment	E101046	Prestige Analytics, Inc.	64,912.00	876575
12/28/23	Payment	E101049	Transdev Services, Inc.	1,712,938.81	876577
12/28/23	Payment	W001150	Charter Communications Holding LLC ZBA	1,315.00	876580
12/28/23	Payment	W001151	At & T	3,805.63	876582
12/29/23	Payment	E101047	Ashlien Savage	1,009.49	876583
12/29/23	Payment	E101048	Paulina Ruiz	2,549.15	876585
12/29/23	Payment	W001152	Frontier ZBA	2,629.56	876588
<b>General Checking</b>				<b>21,968,816.59</b>	



January 26, 2024

To: Governing Board

Subject: **Fiscal Year 2024 Second Quarter Budget Update**

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### **Recommendation**

Receive and file the Fiscal Year 2024 Second Quarter Budget Update.

### **Analysis**

As of December 31, 2023, Foothill Transit is \$10.0 million under the approved year-to-date operating budget of \$75.2 million. Each department is continuing to work toward achievement of its individual goals and objectives identified in the FY 2024 Business Plan and Budget.

### **Operating Accomplishments**

Foothill Transit team members have continued to work diligently to deliver service to Foothill Transit customers throughout the San Gabriel and Pomona Valleys.

Operating accomplishments during the second quarter of FY2024 included the following: continued daily operations of all Foothill Transit service; operations of Rose Bowl service for the fall football season; continued operations of hydrogen fuel cell buses into service; hosted the California Transit Association (CTA) Annual Conference; and the implementation of Foothill Transit Forward recommendations during the fall service change. Each department is instrumental in delivering Foothill Transit's mission while also remaining within fiscal constraints.

### **Capital Program Accomplishments**

Capital achievements during the second quarter of FY2024 included continuation of the bus heavy maintenance program; work to finalize the Mt. San Antonio College Transit Center; continued facility upgrades at the Pomona facility to align with hydrogen safety requirements and final completion of the hydrogen fueling station; continuation of the Arcadia HVAC replacement; completion of several contracts with member cities under the Foothill Transit Bus Stop Enhancement Program; further improvements to maintain and improve safety and security at all Foothill Transit properties; and updates to the Foothill Transit data center.



### **Budget Impact**

Through the second quarter, Foothill Transit is continuing to experience the most significant operating underruns in Purchased Transportation and Fuel. These two categories account for 84 percent of the approved operating budget and subsequently reflect 80 percent of the overall operating budget underrun. As Foothill Transit has begun to implement changes from the Foothill Transit Forward study and we await the award of the new contract for the Arcadia Irwindale facility, we expect this operating variance to decrease to more closely align with the budget. As a result of prior year fuel spikes, Foothill Transit increased the fuel budget to reflect potentially increasing market pricing and trends from prior years. Thus far, we have not experienced a spike in fuel prices this fiscal year. Foothill Transit also increased the budget for the transit stores and facility technician services, however, the new contract was awarded later into the fiscal year than initially anticipated. We have also not yet incurred the entirety of costs related to Professional and Technical services and contract renewal increases. These changes should be reflected as we continue through the remainder of the fiscal year.

Foothill Transit collected \$4.2 million of fare revenues through the second quarter of FY2024. This is above the targeted fare revenue of \$3.5 million. We can attribute this positive performance to the success of the summer fare sale and increased ridership from Foothill Transit Forward service adjustments.

The budget will continue to be reviewed and analyzed on a quarterly basis to ensure budget adherence and identify any future improvements.

Sincerely,

Michelle Lopes Caldwell  
Director of Finance and Treasurer

Doran J. Barnes  
Chief Executive Officer

Jorge Quintana  
Budget and Grants Manager

Attachment

**TOTAL BUDGET BY DEPARTMENT**  
**FY2024 Quarterly Budget Variance Report QTR 2**  
07/01/2023 to 12/31/2023

Dept #	DEPARTMENTS	Annual Budget	Budget Y-T-D	Actual Y-T-D	Variance Fav(unf)
10	Customer Service & Operations	\$ 140,707,520	\$ 64,938,165	\$ 56,871,874	\$ 8,066,291
11	Maintenance & Vehicle Technology	1,214,970	571,350	563,637	7,713
20	Marketing and Communications	2,483,620	1,241,810	1,087,169	154,641
30	Information Technology	2,831,490	1,459,540	1,125,349	334,191
40	Administration	2,279,410	1,141,700	911,746	229,954
41	Procurement	1,070,000	510,310	431,689	78,621
42	Government Relations	787,680	393,830	228,006	165,824
60	Finance	2,322,230	1,165,395	897,970	267,425
70	Safety and Security	3,681,700	1,840,850	1,527,606	313,244
80	Planning	1,578,470	789,230	638,946	150,284
90	Facilities	2,333,760	1,162,170	870,390	291,780
	<b>TOTAL</b>	\$ 161,290,850	\$ 75,214,350	\$ 65,154,384	\$ 10,059,966





January 26, 2024

To: Governing Board

Subject: **Fiscal Year 2023 Annual Comprehensive Financial Audit Report Results**

---

### **Recommendation**

Receive and file the Fiscal Year 2023 financial and compliance audit results. The Annual Comprehensive Financial Report (ACFR) including the auditor's opinions, has been provided for you as a separate attachment.

### **Analysis**

The accounting firm of Crowe LLP has completed their audit of Foothill Transit's balance sheet as of June 30, 2023, along with the related statements of revenues, expenses, and cash flows. The audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. This audit was performed for the purpose of forming an opinion regarding Foothill Transit's financial statements.

In addition to the financial audit, Crowe LLP completed an audit of Foothill Transit's compliance with the Single Audit (Office of Management and Budget Circular [OMB] A-133 guidelines mandated by our receipt of federal funds), the Transportation Development Act, and the rules and regulations for the Los Angeles County Metropolitan Transportation Authority. The purpose of these audits is to determine compliance with all laws, regulations, contracts, and grants, including the Transportation Development Act as summarized in the "Guidelines on Auditing for Conformance", which is published by the Southern California Association of Governments.

Crowe LLP found no deficiencies for any of the above audits. This includes no recommendations or adjustments to Foothill Transit's financial statements for fiscal year ended June 30, 2023, to properly reflect the financial position and changes in its financial position. This is the first year the financial statement includes the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of GASB No. 96 is to enhance the relevance and consistency of information about government subscription activities.



Governing Board Meeting - 01/26/2024  
Fiscal Year 2023 Annual Comprehensive Financial Audit  
Report Results  
Page 2

A summary of the financial activities are as follows:

	<b>2023</b>
Operating revenues - farebox and bus pass	\$ 8,020,698
Operating revenues - other	1,422,456
Operating grants	100,578,457
Other revenues (expenses)	573,437
<b>Total revenues</b>	<b>110,595,048</b>
Operating expenses before impairment loss and depreciation	116,053,273
Impairment loss	957,858
Depreciation & amortization	32,860,808
<b>Total operating expenses</b>	<b>149,871,939</b>
Loss before capital grants	(39,276,891)
Capital grants	42,064,776
<b>Change in net position</b>	<b>2,787,885</b>
Net position at the beginning of the year	259,127,226
<b>Net position at end of year</b>	<b>\$ 261,915,112</b>



Governing Board Meeting - 01/26/2024  
Fiscal Year 2023 Annual Comprehensive Financial Audit  
Report Results  
Page 3

During FY2023, Foothill Transit's net position increased \$2,787,885 from the previous year resulting primarily from the completion of the hydrogen fueling station at the Pomona Operations and Maintenance Facility and the accepted delivery of thirty-three hydrogen fuel cell buses.

In FY2023, operating expenses before depreciation increased \$11,651,818 (11.16%) over the previous year. This increase was attributed primarily to increases for purchased transportation and fuel.

Foothill Transit's assets exceeded its liabilities at June 30, 2023, by \$261,915,112 (net position).

A copy of the audit report and Crowe LLP's Independent and Single Audit Reports are attached for your review.

Sincerely,

Michelle Lopes Caldwell  
Director of Finance and Treasurer

Doran J. Barnes  
Chief Executive Officer

Attachment



**Foothill Transit**

**ANNUAL  
COMPREHENSIVE  
FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2023**





Los Angeles

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Arcadia

Monrovia

Temple  
City

El Monte

South  
El Monte

Montebello

Indus

Whittier



# **Foothill Transit**

West Covina, California

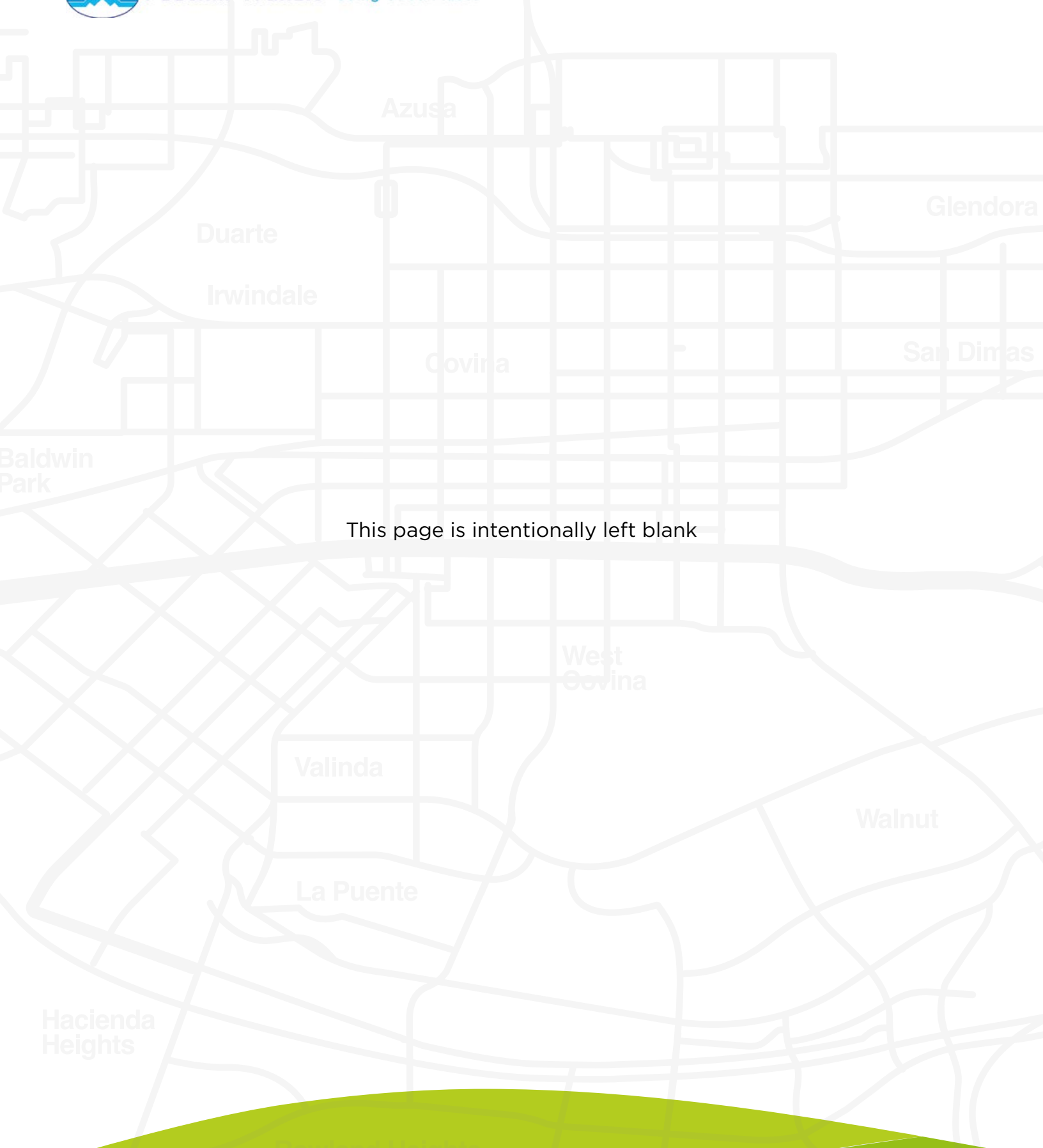
## **Annual Comprehensive Financial Report**

For the Fiscal Year Ended June 30, 2023

Prepared by Foothill Transit Finance Department

### **FOOTHILL TRANSIT**

A JOINT POWERS AUTHORITY



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La Verne

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# INTRODUCTION

## Executive Board Memorandum

To: **Executive Board**

Date: **December 22, 2023**

Subject: **Fiscal Year 2023 Annual Comprehensive Financial Report**

---

Enclosed is the Annual Comprehensive Financial Report of Foothill Transit for the fiscal year ended June 30, 2023. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with Foothill Transit. To the best of management's knowledge and belief, the information presented is accurate in all material aspects and includes all disclosures necessary to enable the reader to gain an understanding of Foothill Transit's financial activities.

In addition to the financial audit, Foothill Transit is required to conduct an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on internal control structure and compliance with applicable laws and regulations are included with this report.

**Independent Audit.** The accounting firm of Crowe LLP was selected to perform an annual independent audit of Foothill Transit's financial statements. The goal of the independent audit is to provide reasonable assurance that Foothill Transit's financial statements for the fiscal year ended June 30, 2023, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that Foothill Transit's financial statements for fiscal year ended June 30, 2023, are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related Uniform Guidance. The auditor's report on the basic financial statements and schedules, including reports specifically related to the single audit, are included in this document.

**Management's Representations.** This report consists of management representations concerning Foothill Transit's finances. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, Foothill Transit's management has established a comprehensive internal control framework designed to ensure that the assets of Foothill Transit 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 of America (GAAP). The internal control structure is 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 benefit likely to be derived; and
- (2) the valuation of the costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

**Management's Discussion and Analysis.** GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A that begins on page 7, and should be read in conjunction with it.

**Reporting Entity.** Foothill Transit, a joint powers authority of 22 cities and the County of Los Angeles, is a public transit provider located in the San Gabriel and Pomona Valleys in Los Angeles County. Foothill Transit operates a fleet of 363 buses transporting 7.9 million passengers with 10.8 million vehicle service miles. The entire fleet is equipped with bicycle racks and is wheelchair accessible and 100 percent of the buses are powered by either compressed natural gas (CNG), electricity, or hydrogen fuel. Foothill Transit's investment transactions are conducted in conformance with internal investment policies and the State of California Government Code. The Executive Board has assigned the responsibility for investing to the Director of Finance and Treasurer.

The Governing Board approves the Business Plan and Budget by June 30th of each fiscal year. The approved budget establishes the legal level of appropriation. The budget includes operating and capital funding to implement the policy directions contained in the previously Board adopted plans such as the Short Range Transportation Plan (S RTP).

**Local Economy.** Foothill Transit provides service in the San Gabriel and Pomona Valleys located in Los Angeles County (LA County). LA County and its 88 cities represent a dynamic, multicultural economy with a diverse workforce and top universities and colleges throughout. According to the LA Economic Development Corporation (LAEDC) LA County is the entertainment, manufacturing, and international trade capital of the US. With nearly \$544 billion in annual output, LA County ranks among the world's largest economies.

The transportation and trade industry is very extensive and is one of the prominent industries in LA County. International trade continues to play an important role in the economy. The San Pedro Bay ports of Los Angeles and Long Beach and Los Angeles International Airport are the largest container ports and the busiest air cargo terminals in the nation, respectively. Transportation improvements are focused on alleviating congestion problems and improving air quality in these important corridors. Over 160,000 LA County workers support this international trade center.

The worldwide Covid-19 pandemic continued to have economic impacts on Foothill Transit during FY2022-2023. Fare revenues improved over the prior year but continued to trend lower than the pre-pandemic years. To encourage ridership, Foothill Transit conducted a very successful fare sale in the spring of 2023. The sale increased ridership and Foothill Transit ended the year at approximately 65% of pre-pandemic ridership levels.

The majority of Foothill Transit's funding is provided from local sales taxes. Although there was a modest increase in sales tax collections during FY2022-2023, the budget was prepared with revenues, service, and fares at current levels to balance the budget. Additionally, Foothill Transit covered all fare revenue losses with Federal American Rescue Plan Act funding.

New capital acquisitions and/or construction projects and those carried forward from the previous year, include park and ride parking structure(s), new replacement CNG buses and zero emission hydrogen fuel cell buses. The park and ride facilities will allow greater utilization of current bus service potentially increasing fare revenue. The purchase of replacement buses will reduce operational expenses, and the zero emission buses will reduce maintenance costs and eliminate all emissions currently attributed to compressed natural gas buses. Sufficient funding (grants) has been dedicated for the completion of these projects.

**Acknowledgments.** The preparation of this report would not have been possible without the efficient and dedicated service of the entire Foothill Transit Team. We wish to express our sincere appreciation for the hard work and long hours that contributed to the preparation of this report.

Sincerely,

**Michelle Lopes Caldwell**  
Director of Finance and Treasurer

**Doran Barnes**  
Chief Executive Officer



# Foothill Transit Leadership

## Executive Board

**Chair**

Cory C. Moss  
Cluster 4 - Industry

**Vice Chair**

Becky Shevlin  
Cluster 3 - Monrovia

**Board Member**

Gary Boyer  
Cluster 2 - Glendora

**Board Member**

Corey Calaycay  
Cluster 1 - Claremont

**Board Member**

Cynthia Sternquist  
Cluster 5 - County of Los Angeles

## Executive Board Alternates

**Cluster 1 - San Dimas**

Emmett Badar

**Cluster 2 - Azusa**

Edward J. Alvarez

**Cluster 3 - Duarte**

Felicia Williams

**Cluster 4 - La Puente**

Valerie Muñoz

**Cluster 5 - County of Los Angeles**

John P. Lloyd, Ph.D.

## Governing Board

**CLUSTER 1**

**Claremont**

Councilmember Corey Calaycay  
Alternate: Mayor Ed Reece

**La Verne**

Mayor Pro Tem Rick Crosby  
Alternate: Mayor Tim Hepburn

**Pomona**

Councilmember Victor Preciado  
Alternate: Councilmember John Nolte

**San Dimas**

Mayor Emmett Badar  
Alternate: Councilmember Ryan Vienna

**Walnut**

Councilmember Linda Freedman  
Alternate: Councilmember Eric Ching

**CLUSTER 2**

**Azusa**

Councilmember Edward J. Alvarez  
Alternate: Mayor Pro Tem Dennis Beckwith

**Baldwin Park**

Councilmember Daniel Damian  
Alternate: Mayor Emmanuel J. Estrada

**Covina**

Mayor Walt Allen  
Alternate: Councilmember Patricia Cortez

**Glendora**

Mayor Gary Boyer  
Alternate: Councilmember Michael Allawos

**Irwindale**

Mayor H. Manuel Ortiz  
Alternate: Mayor Pro Tem Alamber Ambriz

**West Covina**

Mayor Rosario Diaz  
Alternate: Councilmember Letty Lopez-Viado

**CLUSTER 3**

**Arcadia**

Councilmember Eileen Wang  
Alternate: Councilmember Sharon Kwan

**Bradbury**

Mayor Richard G. Barakat  
Alternate: Councilmember Elizabeth Bruny

**Duarte**

Councilmember Cesar Garcia  
Alternate: Councilmember Toney Lewis

**Monrovia**

Mayor Becky Shevlin  
Alternate: Vacant

**Pasadena**

Vice Mayor Felicia Williams  
Alternate: Vacant

**Temple City**

Councilmember Fernando Vizcarra  
Alternate: Mayor Pro Tem William Man

**CLUSTER 4**

**El Monte**

Mayor Jessica Ancona  
Alternate: Councilmember Julia Ruedas, Ed.D.

**Diamond Bar**

Councilmember Steve Tye  
Alternate: Mayor Andrew Chou

**Industry**

Mayor Cory C. Moss  
Alternate: Mayor Pro Tem Catherine Marcucci

**La Puente**

Mayor Pro Tem Valerie Muñoz  
Alternate: Mayor Charlie Klinakis

**South El Monte**

Councilmember Hector Delgado  
Alternate: Mayor Gloria Olmos

**CLUSTER 5**

**County of Los Angeles**

Cynthia Sternquist  
(Representing Supervisor Kathryn Barger)

John P. Lloyd, Ph.D.  
(Representing Supervisor Hilda Solis)

Vacant

## Senior Management

**Chief Executive Officer**

Doran J. Barnes

**Deputy Chief Executive Officer**

LaShawn King Gillespie

**Chief of Safety and Security**

John Curley

**Director of Customer Service and Operations**

Ali Showkatian

**Director of Maintenance and Vehicle Technology**

Roland Cordero

**Director of Marketing and Communications**

Felicia Friesema

**Director of Information Technology**

Donald Luey

**Director of Procurement**

Christopher Pieper

**Director of Finance and Treasurer**

Michelle Lopes Caldwell

**Director of Planning**

Joseph Raquel

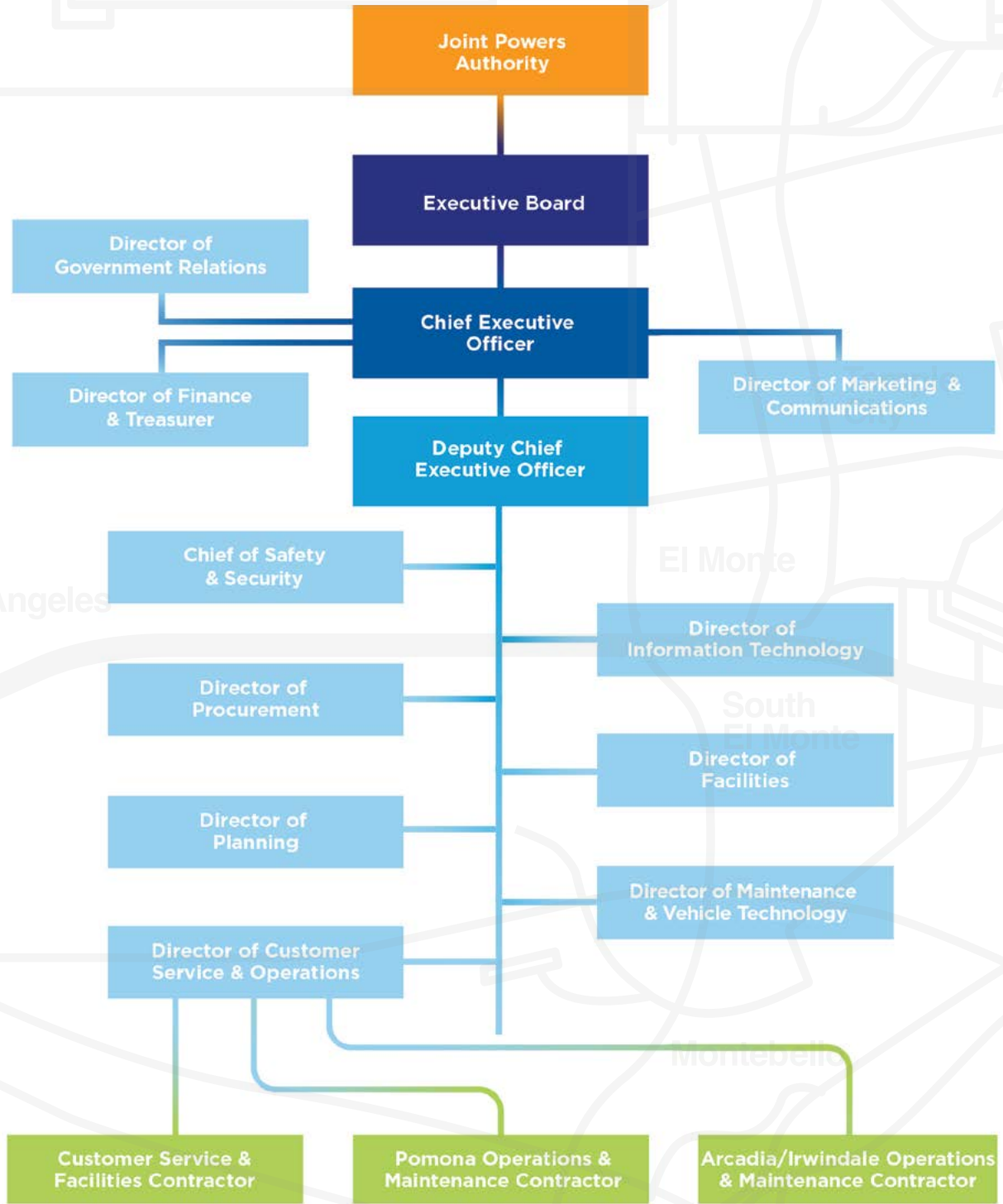
**Director of Facilities**

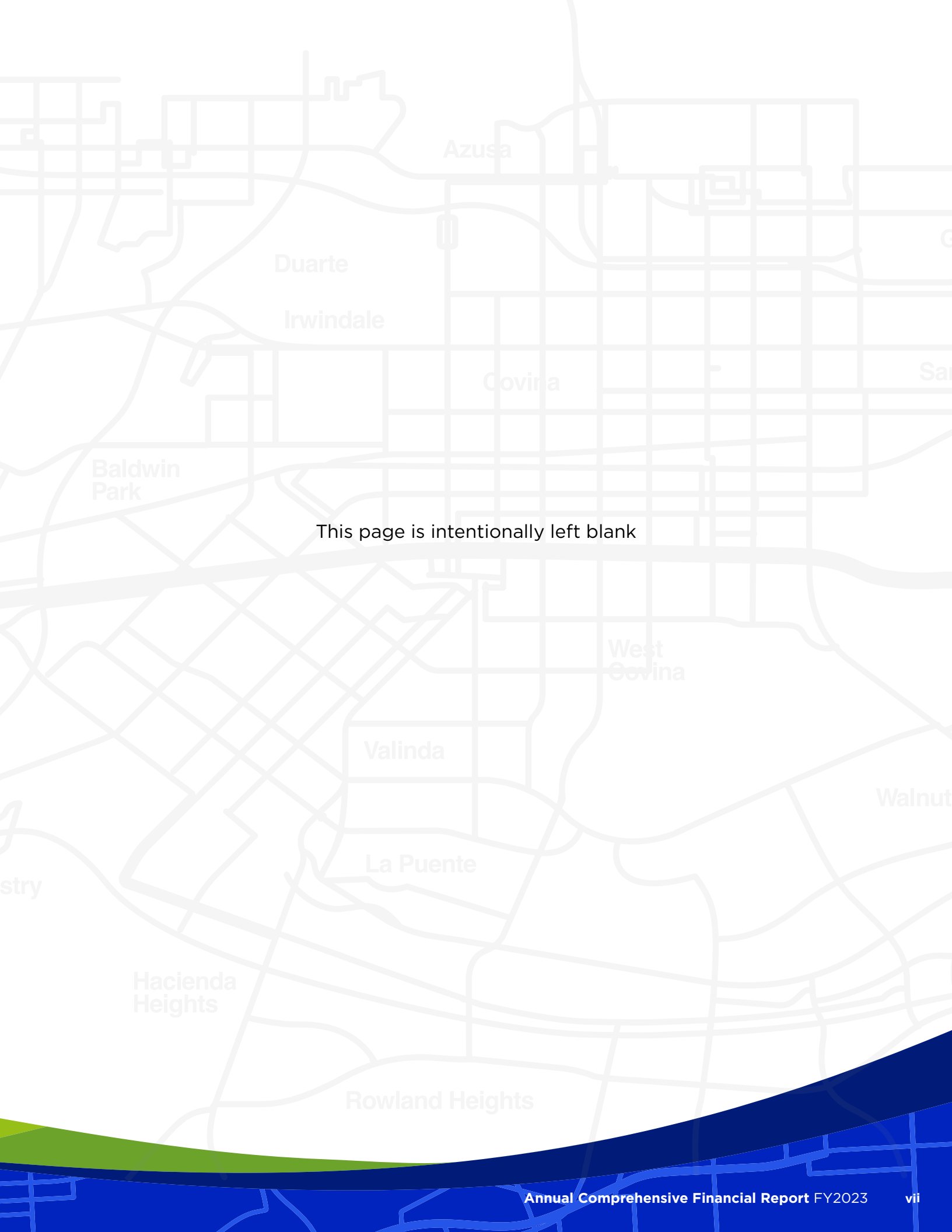
Sharlane Bailey

**Director of Government Relations**

Yoko Igawa







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# FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Foothill Transit (A Joint Powers Authority)  
West Covina, California

**Report on the Audit of the Financial Statements*****Opinion***

We have audited the financial statements of Foothill Transit, A Joint Powers Authority (Foothill Transit), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Foothill Transit's basic financial statements as listed in the table of contents.

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

***Basis for Opinion***

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

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Foothill Transit'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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(Continued)

### ***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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Foothill Transit'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 Foothill Transit'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, 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.

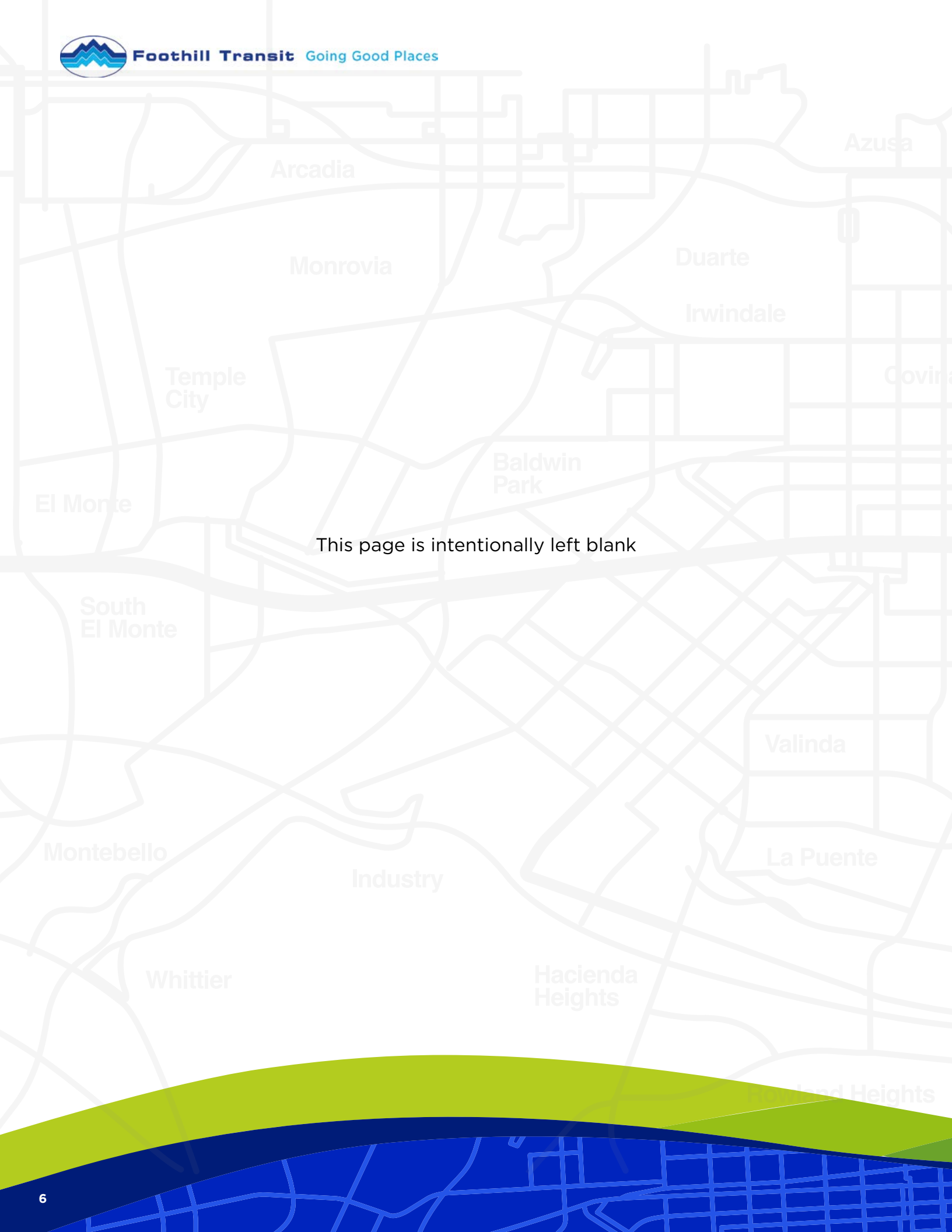
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Measure R Program. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Crowe LLP". The letters are cursive and fluid.

Crowe LLP

Los Angeles, California  
December 22, 2023



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# Management's Discussion And Analysis

## JUNE 30, 2023

The following section of the annual financial report of Foothill Transit includes an overview and analysis of Foothill Transit's financial position and activities for the year ended June 30, 2023. This discussion and analysis should be considered in conjunction with the basic financial statements which it accompanies. These statements are the responsibility of the management of Foothill Transit.

## INTRODUCTION TO THE BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Foothill Transit presents its basic financial statements using the economic resources measurement focus and accrual basis of accounting. As a special purpose government engaged in business-type activity, Foothill Transit's basic financial statements include Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows. The notes to financial statements, supplementary information, and required supplementary information, including this section, support these statements. All sections must be considered together to obtain a complete understanding of the financial position and results of operations of Foothill Transit.

**Statement of Net Position:** The Statement of Net Position includes all assets and liabilities of Foothill Transit, with the difference between the two reported as net position. Assets and liabilities are reported on an accrual basis at cost or fair value, as applicable, as of June 30, 2023. This statement also identifies major categories of restrictions on the net position of Foothill Transit.

**Statement of Revenues, Expenses, and Changes in Net Position:** The Statement of Revenues, Expenses, and Changes in Net Position presents the revenues earned and expenses incurred by Foothill Transit during the year ended June 30, 2023, on an accrual basis.

**Statement of Cash Flows:** The Statement of Cash Flows presents the changes in Foothill Transit's cash and cash equivalents for the year ended June 30, 2023, summarized by operating, capital and related financing, non-capital financing, and investing activities. The statement is prepared using the direct method of reporting cash flows and, therefore, presents gross rather than net amounts for the year's activities.

Foothill Transit's basic financial statements can be found on page 13 of this report. The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes can be found on pages 14 through 34 of this report.

## FINANCIAL HIGHLIGHTS

During fiscal year 2022-2023, Foothill Transit's net position increased \$2,787,885 (1.08%) from the previous year resulting primarily from increased total operating revenue and increased interest rates on investments.





In fiscal year 2022-2023, Foothill Transit received \$48,462,033 of American Rescue Plan Act (ARPA) revenues which were used to mitigate the loss of farebox revenues and pay for purchased transportation operating expenses. In fiscal year 2022-2023, operating expenses before impairment loss and depreciation/amortization increased \$11,651,817 (11.16%) over the previous year. This increase was attributed primarily to increased Purchase Transportation and rising fuel costs. Fuel cost increased by \$3,859,271 (43.96%) in FY2023.

Foothill Transit’s assets exceeded its liabilities at June 30, 2023, by \$261,915,111 (net position).

**CONDENSED STATEMENT OF NET POSITION**

	2023	2022
<b>Assets:</b>		
Non-Capital Assets	\$ 191,060,697	\$ 145,723,363
Capital assets, net	225,254,938	213,666,929
<b>Total assets</b>	<b>\$ 416,315,635</b>	<b>\$ 359,390,292</b>
<b>Liabilities:</b>		
Current liabilities	42,015,223	37,070,676
Noncurrent liabilities	111,078,100	61,488,053
<b>Total liabilities</b>	<b>\$ 153,093,323</b>	<b>\$ 98,558,729</b>
<b>Deferred inflow of resources - leases:</b>	1,307,200	1,704,337
<b>Net Position:</b>		
Net Investment in capital assets	222,768,810	212,823,851
<b>Unrestricted:</b>		
Board designated - capital projects	39,146,302	46,303,375
<b>Total net position</b>	<b>\$ 261,915,112</b>	<b>\$ 259,127,226</b>

See discussion below

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Foothill Transit’s assets exceeded liabilities by \$261,915,112 as of June 30, 2023. Most of this is attributable to Foothill Transit’s \$9,944,958 increase in net investment in capital assets (property, plant, and equipment) as of June 30, 2023.

Foothill Transit uses capital assets to provide transportation services; consequently, these assets are not available for future spending. These capital assets were procured with federal, state, and local grant funds. The remaining unrestricted net position at June 30, 2023, totaled \$39,146,302, representing amounts that are designated by the Board for future capital projects.

Foothill Transit’s net position increased by \$2,787,885 during fiscal year 2022-2023. This increase is primarily due to an increase in capital contributions.

**CONDENSED SUMMARY OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION**

	<b>2023</b>	<b>2022</b>
Operating revenues - farebox and bus pass	\$ 8,020,698	\$ 7,480,849
Operating revenues - other	1,422,456	1,015,753
Operating grants	100,578,457	95,152,662
Other revenues (expenses)	573,437	2,209,284
<b>Total revenues</b>	<b>\$ 110,595,048</b>	<b>\$ 105,858,548</b>
Operating expenses before depreciation, and amortization	116,053,273	104,401,456
Depreciation & amortization	32,860,808	31,957,808
<b>Total operating expenses</b>	<b>\$ 148,914,081</b>	<b>\$ 136,359,263</b>
Impairment loss	957,858	2,289,104
Loss before capital grants	(39,276,891)	(32,789,820)
Capital grants	42,064,776	10,928,210
Change in net position	2,787,885	(21,861,610)
Net position at the beginning of the year	259,127,226	280,988,836
<b>Net position at the end of the year</b>	<b>\$ 261,915,112</b>	<b>\$ 259,127,226</b>

See discussion below

**REVENUES**

Operating revenues in fiscal year 2023 increased \$946,552 (11.14%) over fiscal year 2022. The increase in operating revenue is a result of slight increase in ridership and the fare sale in FY2023. Operating grant and non-operating revenues increased \$5,121,194 and capital grant revenues increased \$31,136,566 in fiscal year 2023. These grant revenues subsidized Foothill Transit's operating and capital expenses.

Because Foothill Transit requires subsidies to fund operating and capital expenses in excess of operating revenues, any increases or decreases in unfunded expenses will also require an increase or decrease in related grant funding. Capital grant contributions in fiscal year 2023 resulted in the acquisition of 33 hydrogen fuel cell buses and construction of the hydrogen fueling station, final construction of the Mt. San Antonio College Transit Center, bus repair and rehabilitation, and information technology investments needed to maintain business continuity.

Total operating expenses before depreciation and amortization, increased \$11,651,817 (11.16%) in fiscal year 2023. In fiscal year 2023, Purchased Transportation costs increased \$5,746,986 (7.36%) due to restoring service levels at both Arcadia and Pomona facilities while operating a newly negotiated operating contract at the Pomona Operations facility. We anticipate Purchased Transportation costs will continue to increase as economy conditions continue to improve.



### CAPITAL ASSETS

As of June 30, 2023, Foothill Transit had \$225,254,938 of capital assets (net of accumulated depreciation and amortization). This represents a 5.42% increase in fiscal year 2023. These assets include land, facilities, transit buses, other operating equipment, vehicles, and furniture and fixtures identified below. Depreciation and amortization expense increased \$903,000 in fiscal year 2023.

	2023	2022
Transit buses	\$ 131,381,764	\$ 120,171,515
Facilities	55,964,383	60,946,901
Construction in progress	15,114,702	5,709,336
Land	14,137,570	14,137,570
Other operating equipment	7,777,728	12,242,774
Right-to-use Subscription Asset	400,337	-
Vehicles	375,200	345,358
Furniture and fixtures	78,311	45,322
Right-to-use leased equipment	17,843	32,652
Right-to-use leased building	7,100	35,501
<b>Total</b>	<b>\$ 225,254,938</b>	<b>\$ 213,666,929</b>

All assets have been purchased with federal, state, or local grants awarded to Foothill Transit. GASB Statement No. 96 was implemented on July 1, 2022. As a result, right-to-use subscription assets are included in the capital assets. Significant capital projects with activity during fiscal year 2023 include the following:

- **Bus Fleet Replacement**
- **Mt. San Antonio College Transit Center**
- **Bus Repair and Rehabilitation**

More detailed information about Foothill Transit’s capital assets can be found in Note 6 in the accompanying notes to financial statements.

### LONG TERM DEBT

As of June 30, 2023, Foothill Transit had no long-term debt.

### FURTHER INFORMATION

This report has been designed to provide a general overview of Foothill Transit’s financial condition and related issues. For those with an interest in Foothill Transit’s finances, inquiries should be directed to the Director of Finance and Treasurer, 100 South Vincent Avenue, Suite 200, West Covina, CA 91790.

**BASIC FINANCIAL STATEMENT**  
Statement of Net Position June 30, 2023

Assets	2023
<b>Current Assets:</b>	
Cash and cash equivalents	\$ 30,849,914
Due from other governmental agencies	41,032,682
Investments	14,610,850
Receivables	884,364
Lease receivable	365,019
Interest receivable	545,557
Prepaid items	519,641
<b>Total current assets</b>	<b>\$ 88,808,027</b>
<b>Noncurrent assets:</b>	
Cash and cash equivalents, noncurrent	99,403,867
Restricted cash and cash equivalents	1,433,087
Note receivable	447,393
Lease receivable	968,323
Capital assets - nondepreciable/amortizable	29,252,272
Capital assets - depreciable/amortizable	495,325,549
Less accumulated depreciation and amortization	<b>(299,322,883)</b>
<b>Total noncurrent assets</b>	<b>\$ 327,507,608</b>
<b>Total assets</b>	<b>\$ 416,315,635</b>
<b>Total liabilities and net position</b>	
<b>2023</b>	
<b>Current liabilities:</b>	
Accounts payable and accrued liabilities	\$ 10,996,638
Lease and subscription payable	168,671
Unearned revenue	30,849,914
<b>Total current liabilities</b>	<b>\$ 42,015,223</b>
<b>Noncurrent liabilities:</b>	
Lease and subscription payable	259,376
Unearned revenue	110,818,724
<b>Total noncurrent liabilities</b>	<b>\$ 111,078,100</b>
<b>Total liabilities</b>	<b>\$ 153,093,323</b>
<b>Deferred inflow of resources - leases</b>	<b>\$ 1,307,200</b>
<b>Net Position:</b>	
Net investment in capital assets	222,768,810
Unrestricted	39,146,302
<b>Total net position</b>	<b>\$ 261,915,112</b>
<b>Total liabilities, deferred inflow of resources and net position</b>	<b>\$ 416,315,634</b>

See notes to financial statements



**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
Years Ended June 30, 2023

	<b>2023</b>
<b>Operating revenues:</b>	
Farebox and bus pass	\$ 8,020,698
Special services	617,971
Other revenue	804,485
<b>Total operating revenue</b>	<b>\$ 9,443,154</b>
<b>Operating expenses:</b>	
Purchased transportation	83,834,313
Fuel costs	12,638,012
Salary and benefits	8,800,895
Special services	398,731
Professional services	4,055,357
Advertising	539,505
General and administrative	5,786,460
Operating expenses before depreciation and amortization	116,053,273
Depreciation expense	32,670,303
Amortization expense	190,505
<b>Total operating expenses</b>	<b>\$ 148,914,081</b>
<i>Operating loss</i>	<i>(139,470,927)</i>
<b>Non-operating revenues (expenses):</b>	
Operating grants	100,578,457
Excise tax refund	3,597,686
Gain on disposal of assets	62,098
Interest income on investments	2,136,141
Interest income on leases	75,347
Interest expense on leases	(13,354)
Property management	(34,481)
General fund Prop A exchange	(5,250,000)
Impairment Loss	(957,858)
<b>Total operating grants and non-operating revenue (expenses)</b>	<b>\$ 100,194,036</b>
<i>Loss before capital contributions</i>	<i>(39,276,891)</i>
<b>Capital contributions</b>	<b>\$ 42,064,776</b>
<b>Change in net position</b>	<b>\$ 2,787,885</b>
<b>Net position at beginning of year</b>	<b>\$ 259,127,226</b>
<b>Net position at end of year</b>	<b>\$ 261,915,112</b>

See notes to financial statements

**STATEMENT OF CASH FLOWS**  
Year Ended June 30, 2023

	<b>2023</b>
<b>Cash flows from operating activities:</b>	
Receipts from customers	\$ 9,976,979
Payments for transit operations	(83,557,978)
Payments for fuel costs	(12,638,012)
Payments to employees	(8,800,895)
Payments to other vendors	(12,071,824)
<b>Net cash from operating activities</b>	<b>(107,091,730)</b>
<b>Cash flows from non-capital financing activities:</b>	
Operating grants received	132,188,369
Receipts for excise tax credit	3,597,686
Payments for Prop A exchange	(5,250,000)
Proceeds from other nonoperating revenue	-
<b>Net cash from non-capital financing activities</b>	<b>130,536,055</b>
<b>Cash flows from capital and related financing activities:</b>	
Receipts from capital grants	31,884,280
Payments for capital assets	(44,186,820)
Proceeds from sale of capital assets	62,098
Proceeds from rental property	(34,481)
Principal paid on leases and subscription based information technology arrangements	(134,026)
<b>Net cash from capital and related financing activities</b>	<b>(12,408,949)</b>
<b>Cash flows from investing activities:</b>	
Investment earnings	2,202,850
<b>Net cash from investing activities</b>	<b>2,202,850</b>
<b>Net increase in cash and cash equivalents</b>	<b>13,238,226</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>118,448,642</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 131,686,868</b>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>	
Operating loss	\$ (139,470,927)
<b>Adjustments to reconcile operating loss to net cash from operating activities:</b>	
Depreciation and amortization	32,860,808
<b>Changes in operating assets and liabilities:</b>	
Change in due from other governmental agencies	176,327
Change in receivables	639,693
Change in prepaid items	(23,321)
Change in accounts payable and accrued liabilities	(1,274,310)
<b>Total adjustments</b>	<b>32,379,199</b>
<b>Net cash from operating activities</b>	<b>\$ (107,091,730)</b>
<b>Non-cash investing and financing activities:</b>	
Capital asset purchase in account payable	\$ 1,411,460
Capital grants included in due from other governmental agencies	\$ 13,509,444

See notes to financial statements



## NOTES TO FINANCIAL STATEMENTS

June 30, 2023

### NOTE 1: ORGANIZATION

Foothill Transit was established in 1988 as a governmental entity under a joint exercise of powers agreement and currently includes 22 cities in the San Gabriel Valley and Pomona Valleys and the County of Los Angeles. Foothill Transit's governing board membership includes one city council member and one alternate from each of the 22 cities in Foothill Transit's service area as well as three appointed representatives for the County of Los Angeles. A five member Executive Board provides guidance and direction regarding day-to-day policy issues. Four elected officials representing four clusters of cities, and a fifth member elected by the appointed Los Angeles County representatives, comprise Foothill Transit's Executive Board.

Through its independent service contractors, Foothill Transit operates a fleet of 363 buses from its Arcadia and Pomona, California facilities. Foothill Transit has been authorized by the Regional Transportation Planning Agency, the Los Angeles County Metropolitan Transportation Authority (LACMTA), to plan, operate, and contract for cost-effective public transit services.

Foothill Transit is a joint powers authority managed by a staff of transportation professionals with purchased transportation services provided by independent contractors. Substantially all insurable risks associated with Foothill Transit's operations are covered through these contracts. Foothill Transit is not considered to be a component unit of any other reporting entity.

## **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **a. Basis of Presentation**

The accounting policies of Foothill Transit conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. All of the activities are accounted for as an enterprise fund for financial reporting purposes. Enterprise funds are used to account for activities (a) 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 and amortization) of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability, or for other purposes.

Foothill Transit accounts for its activities using the economic resources measurement focus and the accrual basis of accounting. Under this method of accounting, revenues are recognized in the period in which they are earned, and expenses are recognized in the period incurred. However, lease liabilities, expenditures related to compensated absences, and claims and judgements are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving Foothill Transit the right to use leased assets, are reported as expenditures. Issuance of long-term debt and financing through leases are reported as other financing sources.

### **b. Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **c. Classification of Current and Noncurrent Assets and Liabilities**

Foothill Transit considers assets to be current that can reasonably be expected to be realized in cash or sold or consumed within a year. Current liabilities are obligations whose liquidation is reasonably expected to require the use of existing resources properly classifiable as current assets, or the creation of other current liabilities. All other assets and liabilities are classified as noncurrent.

### **d. Cash and Cash Equivalents**

For the statement of cash flows, Foothill Transit considers cash, demand deposits, and investment pools to be cash and cash equivalents. All cash invested in the state investment pool Local Agency Investment Fund (LAIF), is reported at amortized cost. Cash may or may not be restricted as to use, depending upon the specific purposes for which such assets are held.

### **e. Investments**

Foothill Transit reports investment securities and similar assets held for investment purposes at fair value. Changes in the fair value of investments are reported as net appreciation or decline in fair value of investments in the statements of revenues, expenses, and changes in net position.

### **f. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and are expensed as utilized or incurred.





**g. Capital Assets**

Capital assets which include property, buses, vehicles, furniture and fixtures, and equipment are defined by Foothill Transit as assets with an initial value exceeding \$500 and having an estimated useful life of more than one year. Capital assets are valued at historical cost except for intangible right-to-use lease and subscription assets, the measurement of which is discussed below. Donated assets are valued at acquisition value at the date of donation. Foothill Transit did not receive any donated capital assets during fiscal year 2023. Capital assets are depreciated/amortized over their estimated useful lives using the straight-line method. The following estimated useful lives are used for Foothill Transit’s capital assets:

Facility	20 to 31.5 years
Other improvements	3 to 7 years
Transit buses and rehabilitation costs	6 to 14 years
Right to use building	2 to 8 years
Other operating equipment	3 to 9 years
Right to use equipment	2 to 5 years
Right to use subscription asset	1 to 4 years
Vehicles	5 to 7 years
Furniture and fixtures	7 years

**h. Compensated Absences**

All eligible employees, full and part-time, accrue paid time off (PTO) in accordance with the California Paid Sick Leave requirements. Part-time employees earn one hour of PTO for each 30 hours worked. Full-time employees earn PTO each pay period; the number of hours accrued are according to each employee’s years of service. Unused PTO is available to be carried forward or cashed out annually according to the guidelines, and is paid out upon separation. As of June 30, 2023, the accrual for compensated absences was \$1,306,980 and was included in accounts payable and accrued liabilities.

	2023
Beginning balance- July 1, 2022	\$ 1,324,411
Add: Current year accruals	1,021,980
Less: Used in the current year	1,039,411
<b>Ending balance- June 30,2023</b>	<b>\$ 1,306,980</b>

**i. Unearned Revenue**

Unearned revenue is composed of TDA and sales tax funds which Foothill Transit has received in advance for operations, capital acquisition, or construction but which have not been expended and, therefore, not earned at June 30, 2023. A portion of these balances are restricted by the grantor for capital projects.

**j. Net Position**

Foothill Transit’s net position is classified into the following categories:

**Net Investment in Capital Assets**

Capital assets, net of accumulated depreciation/amortization and outstanding principal balances of debt, and retainages and accounts payable attributable to the acquisition, construction, or improvement of those assets.

### **Restricted**

Net position that has external constraints placed on it by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through contribution provision of enabling legislation.

### **Unrestricted**

Unrestricted net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.” Unlike the restricted net position, the Board has discretion in determining the use and establishing minimum/maximum balance requirements for the unrestricted cash and investment portion of net position. The Board may at any time change or eliminate amounts established for these purposes. Foothill Transit had unrestricted Board designated net position of \$39,146,302 as of June 30, 2023 representing amounts that are designated for future capital projects.

### **k. Net Position Flow Assumption**

Sometimes Foothill Transit will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is Foothill Transit’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

### **l. Operating and Non-operating Grant Revenues and Expenses**

Foothill Transit distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with Foothill Transit’s principal ongoing operations. The principal operating revenues are passenger fares charged for transportation services, which are recognized at the time services are performed and revenues pass through fare systems. Operating expenses include the cost of transportation services, maintenance of capital assets and facilities, administrative expenses, and depreciation/amortization reported on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Operating assistance grants are included as non-operating revenues in the year in which a related reimbursable expense is incurred or in unearned revenue for use in a subsequent fiscal year.

During fiscal year 2023, Foothill Transit exchanged \$5,250,000 general funds for \$7,000,000 Proposition A Local Return funds from various cities. The Proposition A funds were allocated for transit operations.

Foothill Transit’s policy is to report revenue from capital grants separately after nonoperating revenues as the related expenses are incurred. Assets acquired with capital grant funds are included in capital assets. Capital grant monies received prior to an expense being incurred are recorded as unearned revenue.

### **m. Grants and Subsidies**

Grant and subsidy revenues are recorded when earned. Grant sources currently include Los Angeles County Propositions A and C, Measure R and Measure M, which are local sales tax initiatives passed by the voters of Los Angeles County and then granted out



to Foothill Transit, State Local Transportation Funds (LTF) described below and Federal Transit Administration (FTA) assistance.

Foothill Transit receives grant funds from these various County, State, and Federal entities. Funds received from such entities are subject to certain required terms and conditions of the underlying grant agreements and are subject to audit by the grantor agencies. Amounts received under such grants and contractual agreements are subject to change based upon the results of such audits.

Transportation Development Act (TDA), including Low-Carbon Transit Operations Program (LCTOP), and State Transit Assistance (STA) funds are received for both operating and capital expenses. These funds are derived from the State Local Transportation Funds (LTF) and are allocated to Foothill Transit using the regionally adopted Formula Allocation Procedures. These funds can be used for capital and operating purposes.

#### **n. Non-Exchange Transactions**

Foothill Transit recognizes all capital grants as capital contributions in the statements of revenues, expenses, and changes in net position.

#### **o. Leases**

**Lessee:** Foothill Transit recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statement. Foothill Transit recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, Foothill Transit 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 the shorter of its useful life or the lease term. Key estimates and judgments related to leases include how Foothill Transit determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

Foothill Transit uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, Foothill Transit generally uses the estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that Foothill Transit is reasonably certain to exercise.

Foothill Transit monitors changes in circumstances that would require a remeasurement of its lease and will re-measure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported on the statement of net position.

**Lessor:** Foothill Transit recognizes a lease receivable and a deferred inflow of resources in the financial statement.

At the commencement of a lease, Foothill Transit initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how Foothill Transit determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. Foothill Transit uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

Foothill Transit monitors changes in circumstances that would require a remeasurement of its lease, and will re-measure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### **p. Subscription-Based Information Technology Arrangements**

Foothill Transit recognizes the subscription asset liability at the commencement of each subscription term. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term.

At the commencement of a subscription, Foothill Transit initially measures the total subscription payable at the present value of payments expected to be paid during the subscription term. Subsequently, the subscription payable is reduced by the principal portion of subscription payments.

Key estimates and judgments include how Foothill Transit determines subscription renewal. Foothill Transit uses its estimated incremental borrowing rate as the discount rate for subscriptions. The subscription term includes the non-cancellable period of the lease. Subscription payments included in the measurement of the subscription payable is composed of fixed payments. Foothill Transit reports on all subscriptions with a subscription term greater than one year and for subscriptions that are reasonable certain to be extended for more than one year.

#### **q. Recent Accounting Pronouncements Implemented**

**GASB Statement No. 91, *Conduit Debt Obligations*** - This statement provides a single method of reporting conduit debt obligations. This statement achieves objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The adoption of the paragraphs effective for the fiscal year ending June 30, 2023, did not have an impact on Foothill Transit's financial statements.

**GASB Statement No. 94, *Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs)***. This statement establishes standards of accounting and financial reporting for PPPs and APAs for governments. The requirements



of this Statement are effective for fiscal year ending June 30, 2023. The adoption of this standard has no impact on Foothill Transit's financial statements.

**GASB Statement No. 96, *Subscription-based Information Technology Arrangements (SBITAs)*** establishes standards of accounting and financial reporting for SBITAs by a government end user (a government). Foothill Transit adopted this statement as of July 1, 2022. See note 12 for discussion of the impact on Foothill Transit financial statement.

**GASB Statement No. 99, *Omnibus 2022***, enhances comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this statement are effective as follows: (a) The requirements in paragraph 26-32 related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of non-monetary transactions, pledges of future revenues by the pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance, (b) The requirements in paragraphs 11-25 related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. (c) The requirements in paragraphs 4-10 related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Foothill Transit adopted paragraphs 26-32 in fiscal year 2022. The adoption of the above requirements has no impact on Foothill Transit's financial statements. Management is currently evaluating the effect of the remaining paragraphs of this statement on Foothill Transit's financial statements.

**GASB Statement No. 100, *Accounting Changes and Error Corrections*** - an amendment of GASB Statement No. 62, enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and errors corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Management has not determined the effect of the statement on Foothill Transit's financial statements.

**GASB Statement No. 101, *Compensated Absences***, updates the recognition and measurement guidance for compensated absences and associated salary-related payments by aligning the recognitions and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Management has not determined the effect of this statement on Foothill Transit's financial statements.

### **NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash and investments at June 30, 2023, were reported in the accompanying financial statements as follows:

## Deposits

At June 30, 2023, the carrying amount of Foothill Transit's deposits was \$146,297,718 and the bank balance was \$147,103,450. The difference of \$805,732 represents outstanding checks and other reconciling items.

	2023
Cash and cash equivalents, current	\$ 30,849,914
Investments, current	14,610,850
Cash and cash equivalents, noncurrent	99,403,867
Facilities restricted cash and cash equivalents, noncurrent	1,433,087
<b>Cash and cash equivalents and investments</b>	<b>\$ 146,297,718</b>

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure the entity's deposits by pledging first trust deed mortgage notes having a value of 150% of the entity's total deposits. The Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking.

The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

## Investments

As a public agency, Foothill Transit's investment practices are prescribed by various provisions of the California Government Code and the Act, as well as by administrative policies. Foothill Transit's statement of investment policy is approved by the Board and describes the Treasurer's investment authority, practices, and limitations. The basic investment policy objectives, in order of importance, are safety of principal, liquidity, and return on investment.

Under provision of Foothill Transit's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- Checking Account Demand Deposits
- Passbook Savings Account Demand Deposits
- Money Market Mutual Funds
- Local Agency Investment Fund (LAIF) Demand Deposits



- Obligations of the U.S. Government, its agencies, and instrumentalities  
Federal Agency obligations
- Municipal Securities (California cities and local agencies) rated “A” or better by Moody’s or S&P
- Certificates of Deposit
- Negotiable Certificates of Deposits, federally insured with the issuer
- Repurchase Agreements used solely for short-term investments not to exceed 30 days
- Bonds issued by any city, county, or local agency in California or by the State of California

#### **Investments Authorized by Debt Agreements**

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or Foothill Transit’s investment policy.

#### **Investments in State Investment Pool**

Foothill Transit is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer’s Office audits the fund annually. The value of the position in the investment pool is the same as the value of the pool shares and is reported at amortized cost. LAIF is principally invested in obligations of federal government agencies, U.S. Treasury securities, certificates of deposit, and commercial paper. LAIF’s fund manager considers the credit risk as minimal. LAIF is protected against fraudulent acts by the state’s self-insurance program. At June 30, 2023, Foothill Transit maintained \$65,269,920 of cash equivalents in LAIF.

#### **Credit Risk**

Foothill Transit’s investment policy limits investments in municipal securities, negotiable certificates of deposits, and banker’s acceptances to those rated “A” or better and repurchase agreements and bonds to those rated in the highest category by Moody’s or S&P. As of June 30, 2023, Foothill Transit’s investments did not include these types of investments. Foothill Transit’s investments in U.S. Treasury bills were rated as “AAA” by Moody’s as of June 30, 2023.

#### **Custodial Credit Risk**

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

As of June 30, 2023, none of Foothill Transit’s deposits or investments were exposed to custodial credit risk due to the requirement of the California Government Code to collateralize deposits of public funds by pledging government securities as collateral. Such collateralization of public funds is accomplished by pooling.

**Concentration of Credit Risk**

Concentration risk is the risk associated with the magnitude of investment in any one issuer. As of June 30, 2023, Foothill Transit invested in the LAIF fund with an investment pool. LAIF is principally invested in obligations of federal government agencies, U.S. Treasury securities, certificates of deposit and commercial paper. The LAIF fund manager considers the credit risk minimal. Additionally, as of June 30, 2023, Foothill Transit’s investments were in U.S. Treasury bills totaling \$14,610,850.

**Interest Rate Risk:**

As a means of limiting its exposure to fair value losses arising from rising interest rates, Foothill Transit’s investment policy limits the authority’s portfolio to maturities of less than five years. Foothill Transit has elected to use the segmented time distribution method of disclosure for its interest rate risk. The maturity of Foothill Transit’s investment in LAIF is based on the average maturity of LAIF’s investments.

**Fair Value Measurement:**

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

As of June 30, 2023, Foothill Transit held \$14,610,850 of U.S. Treasury securities. The investments are based on quoted market prices of similar securities with similar due dates using the market approach (Level 2 inputs).

Foothill Transit had the following investments at fair value and remaining maturities as of June 30, 2023:

Remaining Investment Maturities	2023		
	Fair Value	Less Than 1 Year	1 to 5 Years
US Treasury	\$14,610,850	\$14,610,850	-





**NOTE 4: REVENUE AND RECEIVABLES FROM OTHER GOVERNMENTAL AGENCIES**

For the year ending June 30, 2023, operating grants earned from other governmental agencies consisted of the following:

<b>Operating Grants</b>	<b>2023</b>
<b>State and local grants:</b>	
Proposition A Formula Subsidy	\$ 18,816,891
Measure M	16,517,671
Transportation Development Act	1,600,868
Proposition A Bus Service Continuation Program	6,467,657
Senate Bill 1 - STA	3,861,293
Proposition C Base Restructuring	2,163,140
Proposition C 5% Transit Security	1,321,336
Proposition C BSIP - Overcrowding Relief	1,007,098
Proposition C Transit Service Expansion - Line 690	360,470
<b>Total state and local operating grants</b>	<b>\$ \$52,116,424</b>
<b>Federal grants:</b>	
FTA Section 5307	48,462,033
<b>Total federal operating grants</b>	<b>\$ 48,462,033</b>
<b>Total operating grants</b>	<b>\$ 100,578,457</b>

For the year ending June 30, 2023, capital grants earned from other governmental agencies consisted of the following:

<b>Capital Grants</b>	<b>2023</b>
<b>State and local grants:</b>	
Transportation Development Act	\$ 8,978,662
Proposition C - MOSIP	2,572,602
Senate Bill 1 - SGR	1,630,253
Transit and Intercity Rail Capital Program (TIRCP)	5,000,000
California State Transportation LCTOP Grant	55,951
Capital Revenue-Other	395,059
<b>Total state and local capital grants</b>	<b>\$ 18,632,527</b>
<b>Federal grants:</b>	
FTA Section 5339	3,802,889
FTA Section 5307	19,622,783
FTA Section 5312	6,577
<b>Total federal capital grants</b>	<b>\$ 23,432,249</b>
<b>Total capital grants</b>	<b>\$ 42,064,776</b>

Other governmental agencies amounts due are recorded when earned based on operating grant and capital grant revenue recognition. Management believes that no provision for an allowance was necessary on June 30, 2023

<b>Governmental Agencies</b>	<b>2023</b>
<b>State and local agencies</b>	
Transportation Development Act	\$ 2,959,786
Proposition C MOSIP	1,494,125
State Transit Assistance	1,050,291
Senate Bill 1 - State Transit Assistance	907,240
Senate Bill 1 - State of Good Repair	585,235
Toll Revenue Grant	421,489
Proposition C Call For Projects	73,872
California State Transportation LCTOP Grant	113,641
Measure M Capital	23,604
City of Duarte	60,606
Antelope Valley Transportation Authority	53,980
Pass Sales	22,584
Other Receivables	38,210
Los Angeles Department of Transportation	5,739
<b>Total state and local agencies</b>	<b>\$ 7,810,405</b>
<b>Federal agencies</b>	
Section 5339 Capital Grant - FTA	3,503,878
Section 5307 Capital Grant - FTA	7,828,729
Section 5307 Operating Grant - FTA	21,889,670
<b>Total federal agencies</b>	<b>\$ 33,222,277</b>
<b>Total due from governmental agencies</b>	<b>\$ 41,032,682</b>

#### **NOTE 5: RECEIVABLES**

At June 30, 2023, receivables consist of the following and are expected to be collected within one year:

	<b>2023</b>
Trade Receivables (Pass Sales)	\$ 371,366
TAP Sales	296,067
City of Azusa	164,376
Miscellaneous	52,554
<b>Total receivables</b>	<b>\$ 884,364</b>

Receivables are recorded when earned based on operating revenue recognition. Management believes that no provision for an allowance was necessary at June 30, 2023.



**NOTE 6: CAPITAL ASSETS**

Changes in the capital assets by category for the year ended June 30, 2023, are as follows:

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023
<b>CAPITAL ASSETS NOT BEING DEPRECIATED/AMORTIZED</b>				
Land	\$ 14,137,570	\$ -	\$ -	\$ 14,137,570
Construction in progress	5,709,336	9,405,366	-	15,114,702
<b>Total capital assets not being depreciated</b>	<b>\$ 19,846,906</b>	<b>\$ 9,405,366</b>	<b>\$ -</b>	<b>\$ 29,252,272</b>
<b>CAPITAL ASSETS BEING DEPRECIATED/AMORTIZED</b>				
Facility	131,455,098	-	11,604	131,443,494
Furniture and fixtures	905,844	53,244	-	959,088
Other operating equipment	68,035,470	1,655,758	1,076	69,690,152
Right-to-use leased building	61,536	-	-	61,536
Right-to-use leased equipment	38,143	-	-	38,143
Right-to-use subscription asset	495,201	52,431	-	547,632
Transit Buses	266,598,188	33,561,872	(8,850,653)	291,309,407
Vehicles	1,230,890	194,407	(149,200)	1,276,097
<b>Total depreciable/amortizable capital assets</b>	<b>\$ 468,820,370</b>	<b>\$ 35,506,108</b>	<b>\$ (9,000,929)</b>	<b>\$ 495,325,549</b>
<b>ACCUMULATED DEPRECIATION AND AMORTIZATION</b>				
Facility	(70,508,197)	(4,970,914)	-	(75,479,111)
Furniture and fixtures	(860,522)	(20,255)	-	(880,777)
Other operating equipment	(55,792,696)	(6,120,804)	1,076	(61,912,424)
Right-to-use leased building	(26,035)	(28,401)	-	(54,436)
Right-to-use leased equipment	(5,491)	(14,809)	-	(20,300)
Right-to-use subscription asset	-	(147,295)	-	(147,295)
Transit buses	(146,426,673)	(21,393,765)	7,892,795	(159,927,643)
Vehicles	(885,532)	(164,565)	149,200	(900,897)
<b>Total accumulated depreciation and amortization</b>	<b>\$ (274,505,146)</b>	<b>\$ (32,860,808)</b>	<b>\$ 8,043,071</b>	<b>\$ (299,322,883)</b>
<b>Depreciable/amortizable capital assets, net</b>	<b>\$ 194,315,230</b>	<b>\$ 2,645,300</b>	<b>\$ (957,858)</b>	<b>\$ 196,002,666</b>
<b>Total capital assets, net</b>	<b>\$ 214,162,130</b>	<b>\$ 12,050,666</b>	<b>\$ (957,858)</b>	<b>\$ 225,254,938</b>

In accordance with GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, management evaluates events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. For the year ended June 30, 2023, Foothill Transit recorded \$957,858 of impairment loss relating to electric transit buses that are not expected to meet their expected service utility due to ongoing performance and maintenance issues.

**NOTE 7: PURCHASED TRANSPORTATION**

Foothill Transit provides bus service through third party providers for its facilities in Arcadia and Pomona. Keolis was awarded a four-year option commencing on April 30, 2023, for the operating services at the Pomona Facility. Transdev was awarded a four-year term contract commencing on July 31, 2022, for the operating services at the Arcadia/ Irwindale Facility. However, the contract with Transdev was amended to change the expiration to March 30, 2024. (see note 13).

The operating contracts with Keolis and Transdev compensate the contractors based on contractually determined rates per bus revenue miles and hours. They also receive a fixed fee for indirect overhead. The Pomona service expense was \$30,941,971 for the year ended June 30, 2023. Foothill Transit’s related expense for service at the Arcadia Facility was \$52,892,342 for the year ended June 30, 2023. On a combined basis, the contractors provided performance bonds totaling approximately \$22.5 million for the protection of Foothill Transit.

**NOTE 8: COMMITMENTS AND CONTINGENCIES**

**a. Operating Commitments**

Foothill Transit has a commitment for the operation and maintenance of the Pomona facility for \$200,356,957 commencing on April 30, 2023, four base years until June 30, 2027. Foothill Transit also has a commitment for the operation and maintenance of the Arcadia/ Irwindale facility for four years for \$243,158,208 for the fiscal year ending June 30, 2026. However, the contract with Transdev was amended to change the expiration to March 30, 2024. (See note 13).

**Pomona**

Description	Related Year	Before June 30,2023	After June 30, 2023
<b>Start - up</b>	-	\$ 285,458	\$ -
<b>Base Year 1</b>	04/30/23-06/30/24	7,459,533	44,757,196
<b>Base Year 2</b>	07/1/24-06/30/25	-	47,812,750
<b>Base Year 3</b>	07/1/25/06/30/26	-	49,995,581
<b>Base Year 4</b>	07/1/26-06/30/27	-	50,046,439
<b>Total</b>		<b>\$ 7,744,991</b>	<b>\$ 192,611,966</b>

**Arcadia/Irwindale**

Description	Related Year	Before June 30,2023	After June 30, 2023
<b>Start - up</b>	-	\$ -	\$ -
<b>Base Year 1</b>	07/1/22 - 06/30/23	52,536,385	-
<b>Base Year 2</b>	07/1/23 - 06/30/24	-	60,395,065
<b>Base Year 3</b>	07/1/24 - 06/30/25	-	63,449,217
<b>Base Year 4</b>	07/1/25 - 06/30/26	-	66,777,541
<b>Total</b>		<b>\$ 52,536,385</b>	<b>\$ 190,621,823</b>

**b. Legal Matters**

In the ordinary course of business, Foothill Transit is subject to certain lawsuits and other potential legal actions. In the opinion of management, such matters will not have a material effect on the financial statements of Foothill Transit.



**NOTE 9: RISK MANAGEMENT**

Foothill Transit carries commercial insurance to protect against potential losses, including coverage for the following: commercial general liability, excess liability, public officials and employee liability, computer equipment (including media and data protection), commercial property (including personal property and business income), and pollution liability (including loss remediation or legal expense coverage).

Foothill Transit also requires its contract transit operators to provide, as a contract requirement, insurance coverage naming Foothill Transit as an additional insured on their commercial general liability, automobile liability, excess liability, and workers compensation policies.

There were no reductions in coverage or claims in excess of coverage during the fiscal year ended June 30, 2023, nor were there any claims payments made during the year or claims payable at the end of the year.

Los Angeles

El Monte

South  
El Monte

Montebello

Whittier

Industry

**NOTE 10: DEFINED CONTRIBUTION RETIREMENT PLAN**

Effective July 1, 2014, Foothill Transit adopted the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust (“the 401(a) Plan”) and the ICMA Retirement Corporation Governmental 457 Deferred Compensation Plan and Trust (“the 457 Plan”), for all full-time employees of Foothill Transit. Benefit and contribution terms for the plans are established and may be amended by the Board of Directors; however, the plan is administered by a third party, MissionSquare Retirement Corporation. Foothill Transit contributes 8% of the employee’s salary to the 401(a) Plan with no matching requirements, plus an additional dollar for dollar employer match of up to 4% more. Foothill Transit contributed \$779,108 to the 401(a) Plan during fiscal year 2023.

Participants are 100% vested immediately. Employees are permitted to make contributions to the 457 plan, up to applicable Internal Revenue Code limits. In FY2023, the total amount invested in both plans by both employees and Foothill Transit totaled \$1,543,476. There was no liability outstanding for either plan as of June 30, 2023.

**NOTE 11: LEASES**

**a. Leases Receivable**

Foothill Transit leases excess office space in its headquarters building to tenants through five leases. The remaining lease terms range from one to seven years. Foothill Transit will receive total monthly payments of \$39,692. Foothill Transit recognized \$397,137 in lease revenue and \$75,347 in interest revenue during the current fiscal year related to these leases. As of June 30, 2023, Foothill Transit’s receivable for lease payments was \$1,333,342. Also, Foothill Transit had deferred inflows of resources associated with these leases that will be recognized as revenue over their lease terms. As of June 30, 2023, the balance of the deferred inflow of resources was \$1,307,200.

Two of the administrative offices building’s six floors are leased. The first floor is leased to Chase Bank and the fourth floor is leased to three different entities. The historical cost of the two leased floors approximates \$5,982,412, representing one third of the building cost. At June 30, 2023, the carrying value of the leased space was \$2,526,013, net of accumulated amortization of \$3,456,399. The leases expire at various dates between March 2026 and February 2029.

The future minimum lease rentals in the aggregate for each of the six succeeding fiscal years are:

Year Ending June 30	Lease Revenue
2024	\$ 371,543
2025	371,543
2026	348,631
2027	96,595
2028	96,595
2029	22,293
<b>Total</b>	<b>\$ 1,307,200</b>



**b. Leases Payable**

Foothill Transit has four leases as a lessee for property and equipment with remaining lease terms ranging from 1-4 years. Foothill Transit has the right to use the leased assets and accumulated amortizations as of June 30, 2023. The total initial lease liability was \$61,536. As of June 30, 2023, the value of the lease liability was \$23,593. The properties have useful lives of 25 years, and the equipment useful lives are five years.

The future principal and interest lease payments as of June 30, 2023, were as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	\$ 17,959	\$ 549	\$ 18,509
2025	2,970	207	3,177
2026	1,658	96	1,754
2027	1,006	17	1,023
	<b>\$ 23,593</b>	<b>\$ 869</b>	<b>\$ 24,463</b>

**Lease Commitments**

Foothill Transit leases certain facilities under long-term lease agreements. Foothill Transit leases space for a Transit Store in the Puente Hills Mall. This lease was executed on July 5, 2013, and expires on August 31, 2023, with renewable options for ten years. Monthly rent includes a base amount of \$2,491 plus additional charges for Common Area Maintenance (CAM), marketing, taxes, insurance and utilities. Currently, the additional charges total \$5,696 for a total monthly rent of \$8,187. Rent expense for the year ended June 30, 2023, was \$98,244.

## NOTE 12: SUBSCRIPTIONS

### Subscriptions Payable

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

On 12/16/2022, Foothill Transit entered into a 36 month subscription for the use of VMWare Licenses for Nutanix. An initial subscription liability was recorded in the amount of \$37,564. As of 06/30/2023, the value of the subscription liability is \$24,624. Foothill Transit is required to make annual fixed payments of \$12,939. The subscription has an interest rate of 3.3780%. The value of the right to use asset as of 06/30/2023 of \$37,564 with accumulated amortization of \$6,782 is included with Software on the Subscription Class activities table on page 33.

On 11/01/2022, Foothill Transit entered into a 24 month subscription for the use of Nessus Professional License. An initial subscription liability was recorded in the amount of \$5,299. As of 06/30/2023, the value of the subscription liability is \$3,722. Foothill Transit is required to make monthly fixed payments of \$238. The subscription has an interest rate of 3.3470%. The value of the right to use asset as of 06/30/2023 of \$5,299 with accumulated amortization of \$1,766 is included with Software on the Subscription Class activities table on page 33.

On 01/20/2023, Foothill Transit entered into a 33 month subscription for the use of Fax Licenses. An initial subscription liability was recorded in the amount of \$9,568. As of 06/30/2023, the value of the subscription liability is \$7,864. Foothill Transit is required to make monthly fixed payments of \$301. The subscription has an interest rate of 2.7960%. The value of the right to use asset as of 06/30/2023 of \$9,568 with accumulated amortization of \$1,587 is included with Software on the Subscription Class activities table on page 33.

On 07/01/2022, Foothill Transit entered into a 55 month subscription for the use of Jorgensen Copy. An initial subscription liability was recorded in the amount of \$41,436. As of 06/30/2023, the value of the subscription liability is \$33,316. Foothill Transit is required to make monthly fixed payments of \$738. The subscription has an interest rate of 2.5360%. The value of the right to use asset as of 06/30/2023 of \$41,436 with accumulated amortization of \$9,041 is included with Software on the Subscription Class activities table on page 33.

On 07/01/2022, Foothill Transit entered into a 28 month subscription for the use of ELERTS Copy. An initial subscription liability was recorded in the amount of \$29,840. As of 06/30/2023, the value of the subscription liability is \$17,652. Foothill Transit is required to make monthly fixed payments of \$1,056. The subscription has an interest rate of 2.1940%. The value of the right to use asset as of 06/30/2023 of \$29,840 with





accumulated amortization of \$12,713 is included with Software on the Subscription Class activities table on page 33.

On 07/01/2022, Foothill Transit entered into a 44 month subscription for the use of GIRO Copy. An initial subscription liability was recorded in the amount of \$421,039. As of 06/30/2023, the value of the subscription liability is \$315,685. Foothill Transit is required to make monthly fixed payments of \$9,391. The subscription has an interest rate of 2.4450%. The value of the right to use asset as of 06/30/2023 of \$421,039 with accumulated amortization of \$113,965 is included with Software on the Subscription Class activities table on page 33.

On 07/01/2022, Foothill Transit entered into a 24 month subscription for the use of Wisetrack Copy. An initial subscription liability was recorded in the amount of \$2,886. As of 06/30/2023, the value of the subscription liability is \$1,592. Foothill Transit is required to make monthly fixed payments of \$112. The subscription has an interest rate of 2.1940%. The value of the right to use asset as of 06/30/2023 of \$2,886 with accumulated amortization of \$1,441 is included with Software on the Subscription Class activities table on page 33.

**Principal and Interest Requirements to Maturity**

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 150,712	\$ 8,632	\$ 159,344
2025	147,131	4,804	151,935
2026	100,706	1,212	101,918
2027	5,906	50	5,956
<b>Total</b>	<b>\$ 404,454</b>	<b>\$ 14,698</b>	<b>\$ 419,153</b>

**Amount of Subscription Assets by Major Classes of Underlying Asset**

Asset Class	As of Fiscal Year-end	
	Subscription Asset Value	Accumulated Amortization
Software	\$ 547,632	\$ 147,295
<b>Total Subscriptions</b>	<b>\$ 547,632</b>	<b>\$ 147,295</b>

## Governmental Activities

	Balance July 1, 2022	Additions	Reductions	Balance June 30, 2023
<b>SUBSCRIPTION LIABILITY</b>				
<b>Software</b>				
VMWare Licenses for Nutanix	\$ -	\$ 37,564	\$ 12,939	\$ 24,625
Nessus Professional License	-	5,299	1,577	3,722
Fax Licenses	-	9,568	1,704	7,864
ELERTS Copy	29,840	-	12,188	17,652
GIRO Copy	421,039	-	105,354	315,685
Jorgensen Copy	41,436	-	8,120	33,316
Wisetrack Copy	2,886	-	1,294	1,592
<b>Total Software Subscription Liability</b>	<b>\$ 495,201</b>	<b>\$ 52,431</b>	<b>\$ 143,177</b>	<b>\$ 404,454</b>
<b>Total Subscription Liability</b>	<b>\$ 495,201</b>	<b>\$ 52,431</b>	<b>\$ 143,177</b>	<b>\$ 404,454</b>
<b>SUBSCRIPTION ASSETS</b>				
<b>Software</b>				
VMWare Licenses for Nutanix	\$ -	\$ 37,564	\$ -	\$ 37,563
Nessus Professional License	-	5,299	-	5,299
Fax Licenses	-	9,568	-	9,568
ELERTS Copy	29,840	-	-	29,840
GIRO Copy	421,039	-	-	421,039
Jorgensen Copy	41,436	-	-	41,436
Wisetrack Copy	2,886	-	-	2,886
<b>Total Software Subscription Assets</b>	<b>\$ 495,201</b>	<b>\$ 52,431</b>	<b>-</b>	<b>\$ 547,632</b>
<b>Total Subscription Assets</b>	<b>\$ 495,201</b>	<b>\$ 52,431</b>	<b>\$ -</b>	<b>\$ 547,632</b>
<b>SUBSCRIPTION ACCUMULATED AMORTIZATION</b>				
<b>Software</b>				
VMWare Licenses for Nutanix	\$ -	\$ 6,782	\$ -	\$ 6,782
Nessus Professional License	-	1,766	-	1,766
Fax Licenses	-	1,587	-	1,587
ELERTS Copy	-	12,713	-	12,713
GIRO Copy	-	113,965	-	113,965
Jorgensen Copy	-	9,041	-	9,041
Wisetrack Copy	-	1,441	-	1,441
<b>Total Software Subscription Accumulated Amortization</b>	<b>\$ -</b>	<b>\$ 147,295</b>	<b>\$ -</b>	<b>\$ 147,295</b>
<b>Total Subscription Accumulated Amortization</b>	<b>\$ -</b>	<b>\$ 147,295</b>	<b>\$ -</b>	<b>\$ 147,295</b>
<b>Total Governmental Subscription Assets, Net</b>	<b>\$ 495,201</b>	<b>\$ (94,864)</b>	<b>\$ -</b>	<b>\$ 400,337</b>



**NOTE 13: SUBSEQUENT EVENTS**

On August 22, 2023, the Foothill Transit Executive Board authorized the Chief Executive Officer to amend the contract with Transdev Services for the Arcadia facility to change the expiration date of the contract from June 30, 2026, to March 30, 2024, as Transdev and Foothill Transit determined and agreed as mutually beneficial for both parties. On the same date, the Board also authorized the CEO to issue a request for proposals for transit operations and maintenance services at the Arcadia facility.



La Verne

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Diamond Bar



METROLINK

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316296

690 MONTCLAIR TRANSIT CENTER

F1725

1327909

Industry

Hacienda Heights

Rowland Heights

# STATISTICAL SECTION

# Financial Section

This part of Foothill Transit's Comprehensive Annual 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 agency's overall financial health.

## FINANCIAL TRENDS

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

## REVENUE CAPACITY

**41** These schedules contain information to help the reader assess the agency's most significant local revenue sources and taxes.

## DEMOGRAPHIC AND ECONOMIC INFORMATION

**43** These schedules offer demographic and economic indicators to help the reader understand the environment within which the agency's financial activities take place.

## OPERATING INFORMATION

**44** These schedules contain service and infrastructure data to help the reader understand how the information in the agency's financial report relates to the services the agency provides and the activities it performs.



**FINANCIAL TRENDS - Net Position**  
**Last Ten Fiscal Years**

Fiscal Year	Net Investment in Capital Assets	Board Designated Capital Projects	Total Net Position
2014	\$ 184,208,626	\$ 23,779,619	\$ 207,988,245
2015	201,831,874	29,455,331	231,287,205
2016	200,276,321	37,861,516	238,137,837
2017	210,142,128	36,848,616	246,990,744
2018	210,364,476	36,845,704	247,210,180
2019	224,058,977	37,692,321	261,751,298
2020	223,606,295	41,531,969	265,138,264
2021	228,270,186	52,718,650	280,988,836
2022	212,823,851	46,303,375	259,127,226
2023	222,768,810	39,146,302	261,915,112

Source: Foothill Transit Finance Department

**FINANCIAL TRENDS - Change in Net Position**  
**Last Ten Fiscal Years**

Fiscal Year	Operating Revenue	Operating Expense	Operating Income (Loss)	Nonoperating Revenues/ Expenses	Income/ (Loss) Before Contributions	Capital Contributions	Change in Net Position
2014	\$ 19,907,140	\$ 88,037,934	\$ (68,130,794)	\$ 45,949,812	\$ (22,180,982)	\$ 55,888,599	\$ 33,707,617
2015	20,070,304	96,020,737	(75,950,433)	56,182,234	(19,768,199)	43,067,156	23,298,957
2016	18,531,384	101,711,307	(83,179,923)	62,643,667	(20,536,256)	27,386,888	6,850,632
2017	17,571,558	112,415,920	(94,844,362)	72,848,673	(21,995,689)	30,848,596	8,852,907
2018	17,688,164	119,534,295	(101,846,131)	74,286,931	(27,559,200)	27,778,636	219,436
2019	17,321,438	121,655,515	(104,334,077)	82,829,094	(21,504,983)	36,046,101	14,541,118
2020	13,002,971	123,877,689	(110,874,718)	87,721,477	(23,153,241)	26,540,207	3,386,966
2021	4,585,570	136,286,087	(131,700,517)	100,196,493	(31,504,024)	47,354,596	15,850,572
2022	8,496,602	136,359,264	(127,862,662)	95,072,842	(32,789,820)	10,928,210	(21,861,610)
2023	9,443,154	148,914,081	(139,470,927)	100,194,036	(39,276,891)	42,064,776	2,787,885

Source: Foothill Transit Finance Department

**FINANCIAL TRENDS - Operating Revenue by Source**  
**Last Ten Fiscal Years**

Fiscal Year	Farebox and Bus Pass Revenue	Special Services	Dial-A-Ride	Liquidated Damages	City of Duarte Service	Other Revenue	Total
2014	\$ 18,845,702	\$ 259,313	\$ 699,493	\$ -	\$ -	\$ 102,632	\$ 19,907,140
2015	18,890,298	337,229	693,605	26,550	-	122,622	20,070,304
2016	17,144,739	391,381	701,303	77,111	-	216,850	18,531,384
2017	16,082,346	346,487	868,758	133,800	-	140,167	17,571,558
2018	16,343,392	301,318	737,582	107,950	-	197,922	17,688,164
2019	16,079,596	534,612	511,739 <sup>1</sup>	51,900	-	143,591	17,321,438
2020	11,926,026 <sup>2</sup>	418,110 <sup>2</sup>	-	68,650	489,872	100,313	12,513,099
2021	4,002,178 <sup>2</sup>	- <sup>2</sup>	-	36,150	519,174	28,068 <sup>2</sup>	4,585,570
2022	7,480,849 <sup>2</sup>	308,459 <sup>2</sup>	-	63,200	611,715	32,379 <sup>2</sup>	8,496,602
2023	8,020,698	617,971	-	94,770	649,386	60,329	9,443,154

Source: Foothill Transit Finance Department

<sup>1</sup> Dial-A-Ride program ended 06/30/2019

<sup>2</sup> Revenues were affected due to COVID

**FINANCIAL TRENDS - Other Revenues and Expenditures**  
**Last Ten Fiscal Years**

Fiscal Year	Operating Grants	Interest	Gain (Loss) on Disposal of Assets	Net decline in Fair Value of Investments	Proposition A Exchange <sup>3</sup>	Other Revenues (Expenses)	Excise Tax Refund <sup>1</sup>	Property Management Revenue (Expense)	Interest income on lease	Interest expense on lease	Impairment loss	Total Other Revenue
2014	\$ 45,821,966	\$ 113,695	\$ 155,520	\$ -	\$ -	\$ -	\$ -	\$ (141,369)	\$ -	\$ -	\$ -	\$ 45,949,812
2015	50,816,890	142,093	214,472	-	-	-	4,928,098	80,681	-	-	-	56,182,234
2016	57,267,820	399,728	18,730	-	-	1,024,267 <sup>2</sup>	3,854,145	78,977	-	-	-	62,643,667
2017	68,777,964	466,489	121,056	-	(1,335,866)	1,918,382 <sup>2</sup>	2,852,756	47,892	-	-	-	72,848,673
2018	74,676,246	717,557	74,164	(547,040)	(1,500,000)	804,069 <sup>2</sup>	-	61,935	-	-	-	74,286,931
2019	78,325,689	1,094,748	71,329	513,032	(1,650,000)	1,651,326 <sup>2</sup>	2,815,887	7,083	-	-	-	82,829,094
2020	84,223,911	1,169,000	337,923	34,008	(2,400,000)	1,492,968 <sup>2</sup>	2,784,739	78,928	-	-	-	87,721,477
2021	96,489,075	457,482	115,726	-	(2,512,500)	1,211,579 <sup>2</sup>	4,118,003	317,129	-	-	(2,289,104)	100,196,493
2022	95,152,662 <sup>5</sup>	331,407	416,508	-	(750,000)	1,052,236 <sup>2</sup>	1,154,855	(70,216)	77,357 <sup>4</sup>	(2,863) <sup>4</sup>	(2,289,104)	97,361,946
2023	100,578,457 <sup>5</sup>	2,136,141	62,098	-	(5,250,000)	-	3,597,686	(34,481)	75,347	(13,354)	(957,858)	100,194,036

Source: Foothill Transit Finance Department

<sup>1</sup> Compressed Natural Gas (CNG) fuel tax refund.

<sup>2</sup> Other Revenue includes Low Carbon Fuel Standard credits

<sup>3</sup> Proposition A fund exchange was made from general funds

<sup>4</sup> Income and Expense on Lease related to GASB 87 implementation

<sup>5</sup> Includes Coronavirus relief funds





**FINANCIAL TRENDS - Operating Expenses**  
Last Ten Fiscal Years

Fiscal Year	Purchased Transportation	Fuel Cost	Salaries & Benefits	Special Services	Dial-A-Ride Expenditures	Professional Services	Advertising	General & Administrative	Depreciation Expense	Amortization Expense	Total
2014	\$ 47,199,412	\$ 5,944,334	\$ 5,282,937	\$ 144,953	\$ 687,442	\$ 3,561,061 <sup>2</sup>	\$ 401,793	\$ 2,635,020	\$ 22,180,982	\$ -	\$ 88,037,934
2015	52,737,534	5,223,294	5,463,016	233,241	681,421	3,717,814 <sup>2</sup>	419,360	2,848,762	24,696,294	-	96,020,736
2016	56,166,308	5,385,427	6,133,544	267,684	688,961	3,722,103 <sup>2</sup>	577,093	3,355,518	25,414,669	-	101,711,307
2017	66,266,768	6,185,549	6,386,062	266,925	856,305	3,464,219 <sup>2</sup>	418,213	3,140,918	25,430,961	-	112,415,920
2018	72,828,345	5,682,454	6,663,141	257,260	737,582	3,238,546 <sup>2</sup>	415,579	3,395,159	26,316,229	-	119,534,295
2019	74,828,377	7,100,807	6,898,462	393,277	498,697	3,477,230 <sup>2</sup>	445,698	3,177,739	24,835,228	-	121,655,515
2020	76,657,210	6,334,538	7,498,942	343,302	- <sup>3</sup>	3,320,881 <sup>2</sup>	511,026	3,656,962	25,064,956	-	123,387,817
2021	79,729,353	6,903,912	7,680,697	10,919	- <sup>3</sup>	3,219,092 <sup>2</sup>	383,219	4,037,789	32,032,002	-	136,286,087
2022	78,087,327	8,778,741	8,390,546	266,301	-	3,877,795	596,174	4,404,572	31,926,283	31,525 <sup>4</sup>	138,648,368
2023	83,834,313	12,638,012	8,800,895	398,731	-	4,055,357	539,505	5,786,460	32,670,303	190,505 <sup>4</sup>	148,914,081

Source: Foothill Transit Finance Department

<sup>1</sup> Represents management expenses paid to private contractor for day-to-day administrative and operational functions

<sup>2</sup> Professional expenses including transit stores and facilities management

<sup>3</sup> Dial-A-Ride program ended 06/30/2019

<sup>4</sup> Amortization expense pertains to Right-to-use leased building, equipment, and subscriptions

**FINANCIAL TRENDS - Capital Assets Grant Contributions**  
Last Ten Fiscal Years

Fiscal Year	Proposition C	Federal Transit Administration	Measure M	Measure R	Senate Bill 1 - State of Good Repair	Transportation Development Act	Proposition 1B/ CARB/LCTOP	Other <sup>1</sup>	Total
2014	\$ 9,609,877	\$ 44,339,636	\$ -	\$ -	\$ -	\$ 1,078,143	\$ 860,943	\$ -	\$ 55,888,599
2015	1,921,510	33,933,762	-	-	-	790,151	6,421,733	-	43,067,156
2016	2,652,026	11,029,256	-	-	-	1,931,806	11,773,800	-	27,386,888
2017	7,322,862	17,466,212	-	27,368	-	2,645,459	3,386,695	-	30,848,596
2018	7,993,408	10,251,734	-	3,570,412	420,158	2,391,199	3,151,725	-	27,778,636
2019	6,894,030	20,740,701	-	-	1,869,479	2,662,016	3,800,229	79,646	36,046,101
2020	5,776,324	6,918,837	-	-	1,351,601	6,804,937	1,799,074	3,889,434	26,540,207
2021	5,464,142	31,181,778	58,319	-	1,111,274	2,913,382	5,175,163	1,450,538	47,354,596
2022	1,896,136	1,900,935	177,726	-	1,068,407	5,827,316	57,690	-	10,928,210
2023	2,572,602	21,339,195	-	-	1,630,253	11,071,716	55,951	5,395,058	39,971,721

<sup>1</sup>LADOT & AVTA share of expenses for capital projects, MTA Farebox grant

Source: Foothill Transit Finance Department

**FINANCIAL TRENDS - Tax Revenues - Foothill Transit and Los Angeles County**  
**Last Ten Fiscal Years (In Thousands)**

**Foothill Transit<sup>1</sup>**

Fiscal Year	TDA <sup>3</sup>	STA <sup>4</sup>	Proposition A <sup>5</sup>	Proposition C <sup>5</sup>	Measure R <sup>5</sup>	Measure M <sup>5</sup>	Senate Bill 1 <sup>6</sup>	Total	% of LA County
2014	\$ 20,830	\$ 3,913	\$ 17,783	\$ 10,808	\$ 9,352	\$ -	\$ -	\$ 62,686	2.31%
2015	21,866	2,744	18,201	11,089	9,903	-	-	63,803	2.27%
2016	21,548	3,378	18,770	11,320	10,527	-	-	65,542	2.33%
2017	22,941	1,842	20,640	11,675	10,412	-	-	67,510	2.34%
2018	23,116	1,991	21,154	11,245	11,259	9,946	2,864	81,575	2.20%
2019	25,099	4,085	21,199	11,727	11,316	11,425	3,894	88,745	2.23%
2020	26,696	5,266	21,878	4,470	12,245	12,665	3,805	87,025	2.18%
2021 <sup>7</sup>	21,381	3,600	21,415	9,551	9,244	9,115	4,203	78,509	7.22%
2022 <sup>7</sup>	27,321	2,345	22,469	10,029	13,088	12,214	3,008	90,474	7.19%
2023	35,517	4,201	25,285	10,878	16,633	16,607	5,259	114,381	7.38%

**Los Angeles County<sup>2</sup>**

Fiscal Year	TDA <sup>3</sup>	STA <sup>4</sup>	Proposition A <sup>5</sup>	Proposition C <sup>5</sup>	Measure R <sup>5</sup>	Measure M <sup>5</sup>	Senate Bill 1 <sup>6</sup>	Total
2014	\$ 380,801	\$ 115,609	\$ 725,902	\$ 743,472	\$ 749,228	\$ -	\$ -	\$ 2,715,012
2015	398,212	93,259	757,434	780,796	782,800	-	-	2,812,501
2016	387,834	107,481	766,981	770,535	776,551	-	-	2,809,382
2017	406,281	58,942	800,299	804,880	811,065	-	-	2,881,467
2018	403,419	52,981	802,055	802,115	809,563	761,900	76,071	3,708,104
2019	422,000	82,456	844,000	844,000	844,000	844,000	99,720	3,980,176
2020	420,334	103,771	841,447	838,836	840,670	844,000	99,719	3,988,777
2021 <sup>7</sup>	308,390	54,337	300,191	94,568	135,000	133,102	61,435	1,087,023
2022 <sup>7</sup>	401,289	35,068	306,041	107,520	187,536	176,932	43,645	1,258,031
2023	508,403	60,136	324,116	124,683	230,272	229,911	72,875	1,550,396

Source: Foothill Transit Finance Department

<sup>1</sup> Share of Tax Revenues Allocated to Foothill Transit through Formula Allocation Program

<sup>2</sup> Total LA County Transit Tax Revenues

<sup>3</sup> Transportation Development Act (TDA) 1/4% of statewide sales tax revenues allocated to Transportation

<sup>4</sup> State Transit Assistance (STA) 50% of statewide gasoline taxes allocated to Public Transit

<sup>5</sup> Los Angeles County sales tax measures, each 1/2% of all sales for a total of 2% for all four

<sup>6</sup> State Bill 1 funds allocated to Foothill Transit

<sup>7</sup> Funding sources from sales tax revenues were decreased due to COVID



**FINANCIAL TRENDS - Annual Farebox and Bus Pass Revenue  
Last Ten Fiscal Years**

Fiscal Year	Cash	Passes	Stored Value	EZ Transit Passes	Other Revenue <sup>1</sup>	Total
2014	\$ 10,039,652	\$ 4,112,118	\$ 2,673,097	\$ 1,387,708	\$ 633,127	\$ 18,845,702
2015	9,878,356	4,439,522	2,920,388	1,002,420	649,612	18,890,298
2016	8,988,245	3,717,431	3,112,977	726,594	599,492	17,144,739
2017	8,330,050	3,435,100	3,067,576	651,677	597,943	16,082,346
2018	8,101,339	3,689,301	3,291,450	687,489	573,813	16,343,392
2019	7,112,560	3,868,131	3,945,266	601,786	551,852	16,079,596
2020 <sup>2</sup>	4,697,392	2,975,786	3,374,491	515,961	362,397	11,926,027
2021 <sup>2</sup>	2,204,095	439,323	1,155,350	72,632	130,778	4,002,178
2022 <sup>2</sup>	2,110,826	1,218,713	3,740,291	167,803	243,216	7,480,849
2023 <sup>2</sup>	3,609,491	1,638,681	2,189,704	164,812	418,011	8,020,698

Source: Foothill Transit Finance Department

<sup>1</sup> Other Revenue includes Access reimbursements, Metrolink transfers, and city subsidies

<sup>2</sup> Funding sources were decreased due to COVID

**FINANCIAL TRENDS - Cash Fares  
Last Ten Fiscal Years**

Fiscal Year	Local			Silver Streak (Local Plus)			Commuter Express <sup>3</sup>		
	Adult	Senior/ Disabled <sup>1</sup>	Student <sup>2</sup>	Adult	Senior/ Disabled <sup>1</sup>	Student <sup>2</sup>	Adult	Senior/ Disabled <sup>1</sup>	Student <sup>2</sup>
2014	\$ 1.25	\$ 0.50	\$ 1.25	\$ 2.45	\$ 1.15	\$ 1.15	\$ 4.90	\$ 4.90	\$ 4.90
2015	1.25	0.50	1.25	2.45	1.15	1.15	4.90	4.90	4.90
2016	1.25	0.50	1.25	2.45	1.15	1.15	4.90	4.90	4.90
2017	1.25	0.50	1.25	2.45	1.15	1.15	4.90	4.90	4.90
2018 <sup>5</sup>	1.50	0.75	1.50	2.75	1.25	2.75	5.00	5.00	5.00
2019	1.50	0.75	1.50	2.75	1.25	2.75	5.00	5.00	5.00
2020 <sup>6</sup>	1.75	0.75	1.75	3.00	1.50	3.00	5.50	5.50	5.50
2021	1.75	0.75	1.75	3.00	1.50	3.00	5.50	5.50	5.50
2022	1.75	0.75	1.75	3.00	1.50	3.00	5.50	5.50	5.50
2023 <sup>7</sup>	1.75	0.75	1.00	1.75	0.75	1.00	5.50	5.50	5.50

Source: Foothill Transit Finance Department

<sup>1</sup> Includes Medicare eligible costumers

<sup>2</sup> Includes K-12 and college eligible customers

<sup>3</sup> Commuter Express Service ONLY operated during peak service periods

<sup>4</sup> Silver2Silver Program fare adjustment October 2012

<sup>5</sup> Fare changes effective October 20, 2017

<sup>6</sup> Fare changes effective September 29, 2019

<sup>7</sup> Fare changes effective July 3, 2022

**DEMOGRAPHIC AND ECONOMIC INFORMATION - Statistics for Los Angeles County**  
**Last Ten Fiscal Years**

Fiscal Year	Unemployment Rate <sup>1</sup>	Population <sup>2</sup> (000)	School Enrollment <sup>3</sup> (000)	Personal Income <sup>1</sup>		Consumer Price Index <sup>5</sup>	
				Total (000)	Per Capita	Value	% Change
2014	8.20%	10,069	1,564	472,387	28,337	242.4	1.35%
2015	6.60%	10,170	1,539	544,325	53,521	244.6	0.91%
2016	5.20%	10,138	1,523	554,592	54,530	249.2	1.89%
2017	5.20%	10,231	1,511	555,581	54,628	254.4	2.07%
2018	5.10%	10,284	1,493	558,537	54,918	256.2	0.71%
2019	4.60%	10,253	1,464	555,581	54,628	265.9	3.78%
2020	19.60%	10,173	1,437	584,206	57,442	278.1	4.60%
2021	10.20%	10,044	1,390	683,952 <sup>4</sup>	67,681 <sup>4</sup>	289.2	3.99%
2022	5.20%	9,861	1,337	659,784 <sup>4</sup>	64,873 <sup>4</sup>	314.1	8.60%
2023	5.80%	9,761	1,314	676,494 <sup>4</sup>	66,516 <sup>4</sup>	322.1	2.53%

Source:

<sup>1</sup> Employment Development Department

<sup>2</sup> State of California Department of Finance, based on latest data available

<sup>3</sup> California Department of Education

<sup>4</sup> Data not available, amounts increased by CPI

<sup>5</sup> US Department of Labor Statistics, for Los Angeles County

**DEMOGRAPHIC AND ECONOMIC INFORMATION - Ten Principal Employers of Los Angeles County**

Employer	2022 <sup>1</sup>			2020 <sup>1</sup>		
	Number of Employees	Percentage of Total	Rank	Number of Employees	Percentage of Total	Rank
County of Los Angeles	106,200	2.24%	1	95,210	1.87%	1
Los Angeles Unified School District	73,800	1.56%	2	75,670	1.48%	2
City of Los Angeles	61,600	1.30%	3	72,600	1.42%	4
University of California, Los Angeles	50,200	1.06%	4	51,010	1.00%	3
Federal Government	44,700	0.94%	5	30,600	0.60%	5
Kaiser Permanente	40,800	0.86%	6	41,340	0.81%	6
State of California	32,300	0.68%	7	27,990	0.55%	7
University of Southern California	22,400	0.47%	8	22,160	0.43%	8
Target Corp.	20,000	0.42%	9	20,000	0.39%	10
Northrop Grumman Corp.	18,000	0.38%	10	18,000	0.35%	9
All Other Employers	4,269,900	90.08%		4,378,000	91.03%	
<b>Total</b>	<b>4,739,900</b>	<b>100.00%</b>		<b>5,102,700</b>	<b>100.00%</b>	

Source: Los Angeles Almanac; California Employment Development Department

<sup>1</sup> Most current information available



**OPERATING INFORMATION - Operating and Capital Indicators**  
**Last Ten Fiscal Years**

Fiscal Year	Buses	Maintenance Facilities	Routes	Vehicle Service Hours(000)	Cost/Vehicle Service Hr.	Boarding/Vehicle Service Hr	Passengers (000)	Farebox Recovery Ratio
2014	330	2	35	705	92.62	20.60	14,522	28.91%
2015	330	2	36	760	93.07	19.00	14,596	26.71%
2016	361	2	37	790	95.30	17.00	13,584	22.76%
2017	380	2	39	872	98.47	15.60	13,561	18.73%
2018	373	2	37	863	106.87	14.50	12,544	17.72%
2019	384	2	39	860	111.61	14.00	12,053	16.76%
2020*	375	2	39	851	115.19	11.60	9,863	12.17%
2021*	361	2	39	843	120.91	7.23	6,100	3.93%
2022*	359	2	38	794	130.18	8.63	6,852	7.23%
2023*	363	2	36	786	147.23	10.01	7,865	6.94%

Source: Foothill Transit Finance Department

\*Amounts were affected and reduced due to COVID

**OPERATING INFORMATION - Full-Time Equivalent by Functions**  
**Last Ten Fiscal Years**

Fiscal Year	Employees	Purchased Transportation			Total
	Administrative Office	Arcadia Facility	Pomona Facility	Transit Stores	FTE
2014	39	n/a	n/a	n/a	n/a
2015	43	n/a	n/a	n/a	n/a
2016	45	424	357	20	846
2017	52	490	360	23	926
2018	52	533	347	23	955
2019	52	533	328	21	934
2020	48	509	330	22	909
2021	54	518	308	21	895
2022	54	483	300	19	856
2023	54	523	353	19	949

Source: Foothill Transit Finance Department

Note: Prior to FY 2014, Foothill Transit contracted third party contractor to perform management services, thus there were no FTE data available in prior years. Starting FY 2016, the agency began reporting FTE to California State Controller's Office

## OPERATING INFORMATION - Miscellaneous Statistics

### Last Ten Fiscal Years

<b>Date Formed:</b>	December 1988
<b>Type of Organization:</b>	Joint Powers Authority
<b>Membership:</b>	22 Los Angeles County Cities and County of Los Angeles
<b>Number of Executive Board Members:</b>	5
<b>Number of Employees:</b>	54
<b>Type of Tax Support:</b>	Proposition A ½ of 1% Sales tax Proposition C ½ of 1% Sales tax Measure R ½ of 1% Sales tax Measure M ½ of 1% Sales tax
<b>Service Area:</b>	San Gabriel & Pomona Valleys, Los Angeles County, CA
<b>Contract services provided by:</b>	Transdev Services, Inc. Keolis Transit America, Inc.
<b>Number of Buses in Fleet:</b>	
Compressed Natural Gas Powered	311
Electric Powered	19
Hydrogen Powered	33
<b>Operational and Maintenance Facilities:</b>	2
<b>Sales Outlets (Transit Stores):</b>	4
<b>Bus Routes/Lines:</b>	
Express	6
Local	30
<b>Bus Stops</b>	1,756
<b>Annual Service Hours <sup>1</sup></b>	785,522
<b>Annual Passengers <sup>1</sup></b>	7,864,856
<b>Average Weekday Boardings <sup>1</sup></b>	25,135

Source: Foothill Transit Finance Department



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# COMPLIANCE REPORTS

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Year ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Grant Number	Expenditures
<b>U.S Department of Transportation</b>			
<b>Direct Programs</b>			
<b>Federal Transit Cluster</b>			
Section 5307 - Federal Formula Program	20.507	CA-2022-153	\$ 19,622,783
COVID-19 - Section 5307 - ARPA Act	20.507	CA-2022-070	48,462,033
Section 5339 - Bus and Bus Facilities Formula Program	20.526	CA-2019-049	3,802,889
<b>Total Federal Transit Cluster</b>	<b>-</b>	<b>-</b>	<b>\$ 71,887,705</b>
Section 5312 - LONO	20.514	CA-2017-089	6,577
<b>Total Federal Expenditures (Total Federal Transit Cluster and U.S. Department of Transportation)</b>			<b>\$ 71,894,282</b>

**Note a:** Refer to Note 1 to the schedule of expenditures of federal awards for a description of significant accounting policies used in preparing this schedule

**Note b:** There were no federal awards expended in the form of noncash assistance and insurance in effect during the year

**Note c:** Total amount provided to subrecipients during the year was \$0

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2023

#### NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Foothill Transit, for the 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). Because the Schedule presents only a selected portion of the operations of Foothill Transit, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Foothill Transit.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Foothill Transit has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

#### NOTE 2: FEDERAL TRANSIT CLUSTER

These programs were established to assist public transportation corporations with planning, capital, and operating assistance. The programs are reimbursable grants based on an approved application and expenses incurred.



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  
Foothill Transit (A Joint Powers Authority)  
West Covina, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Foothill Transit, A Joint Powers Authority (Foothill Transit) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Foothill Transit's basic financial statements, and have issued our report thereon dated December 22, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

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

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## Report on Compliance and Other Matters

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

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Crowe LLP". The letters are cursive and fluid.

Crowe LLP

Los Angeles, California  
December 22, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Directors  
Foothill Transit (A Joint Powers Authority)  
West Covina, California

**Report on Compliance for Major Federal Program**

***Opinion on Major Federal Program***

We have audited Foothill Transit's 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 Foothill Transit's major federal program for the year ended June 30, 2023. Foothill Transit's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

***Basis for Opinion on 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 Foothill Transit 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 the major federal program. Our audit does not provide a legal determination of Foothill Transit'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 Foothill Transit's federal programs.

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### ***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 Foothill Transit'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 Foothill Transit's compliance with the requirements of the 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 Foothill Transit'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 Foothill Transit'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 Foothill Transit'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.

A handwritten signature in black ink that reads "Crowe LLP". The letters are cursive and fluid.

Crowe LLP

Los Angeles, California  
December 22, 2023

FOOTHILL TRANSIT (A JOINT POWER AUTHORITY)  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 June 30, 2023

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**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ Yes      X   No

Significant deficiency(ies) identified not  
 Considered to be material weaknesses \_\_\_\_\_ Yes      X   None reported

Noncompliance material to financial  
 statements noted? \_\_\_\_\_ Yes      X   No

**Federal Awards**

Internal Control over major program:

Material weakness(es) identified? \_\_\_\_\_ Yes      X   No

Significant deficiency(ies) identified not  
 Considered to be material weaknesses? \_\_\_\_\_ Yes      X   None Reported

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

Any audit findings disclosed that are required to be  
 reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ Yes      X   No

Identification of major programs:

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

Dollar threshold used to distinguish between  
 Type A and Type B programs: \$2,156,828

Auditee qualified as low-risk auditee?   X   Yes    \_\_\_\_\_ No

FOOTHILL TRANSIT (A JOINT POWER AUTHORITY)  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
June 30, 2023

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**Section II - Financial Statement Findings**

None noted.

**Section III - Federal Award Findings and Questioned Costs**

None noted.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE TRANSPORTATION DEVELOPMENT ACT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Directors  
Foothill Transit (A Joint Powers Authority)  
West Covina, California

### **Report on Compliance with the Transportation Development Act**

#### ***Opinion on the Transportation Development Act***

We have audited Foothill Transit's compliance with the types of compliance requirements described in the Transportation Development Act (TDA) Conformance Auditing Guide, the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Guidelines, and the Low Carbon Transit Operations Program (LCTOP) Final Guidelines published by the State of California Department of Transportation (collectively, "Transportation Development Act"), that could have a direct and material effect on Foothill Transit's compliance with the Transportation Development Act for the year ended June 30, 2023.

In our opinion, Foothill Transit complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its Transportation Development Act program for the year ended June 30, 2023.

#### ***Basis for Opinion on the Transportation Development Act***

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 Transportation Development Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Foothill Transit 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 the Transportation Development Act program. Our audit does not provide a legal determination of Foothill Transit'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 Transportation Development Act.

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## ***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 Foothill Transit'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 Transportation Development Act 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 Foothill Transit's compliance with the requirements of the Transportation Development Act program as a whole.

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

A handwritten signature in black ink that reads "Crowe LLP". The letters are cursive and fluid, with the "C" and "L"s being particularly prominent.

Crowe LLP

Los Angeles, California  
December 22, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE  
PROPOSITION A AND PROPOSITION C DISCRETIONARY PROGRAMS AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Directors  
Foothill Transit (A Joint Powers Authority)  
West Covina, California

**Report on Compliance with Proposition A and Proposition C Discretionary Programs**

***Opinion on Proposition A and Proposition C Discretionary Programs***

We have audited Foothill Transit's compliance with the types of compliance requirements described in the Proposition A and Proposition C Local Return Guidelines and the Memorandums of Understanding for Proposition A 40% Discretionary Grant Funds and Proposition C 40% Discretionary Funds approved by the Los Angeles County Metropolitan Authority (LACMTA) (collectively "Proposition A and Proposition C Discretionary Programs") that could have a direct and material effect on Foothill Transit's compliance with the Proposition A and Proposition C Discretionary Programs for the year ended June 30, 2023.

In our opinion, Foothill Transit complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Proposition A and Proposition C Discretionary Programs for the year ended June 30, 2023.

***Basis for Opinion on Proposition A and Proposition C Discretionary Programs***

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 Proposition A and Proposition C Discretionary Programs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Foothill Transit 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 Proposition A and Proposition C Discretionary Programs. Our audit does not provide a legal determination of Foothill Transit'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 Proposition A and Proposition C Discretionary Programs.

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### ***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 Foothill Transit'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 Proposition A and Proposition C Discretionary Programs 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 Foothill Transit's compliance with the requirements of Proposition A and Proposition C Discretionary Programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and Proposition A and Proposition C Discretionary Programs, 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 Foothill Transit'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 Foothill Transit'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 Proposition A and Proposition C Discretionary Programs, but not for the purpose of expressing an opinion on the effectiveness of Foothill Transit'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 Proposition A and Proposition C Discretionary Programs 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 Proposition A and Proposition C Discretionary Programs 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 Proposition A and Proposition C Discretionary Programs 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 Proposition A and Proposition C Discretionary Programs. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Crowe LLP". The letters are cursive and fluid.

Crowe LLP

Los Angeles, California  
December 22, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE MEASURE R PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Directors  
Foothill Transit (A Joint Powers Authority)  
West Covina, California

**Report on Compliance with Measure R Program**

***Opinion on Measure R Program***

We have audited Foothill Transit's compliance with the types of compliance requirements described in Measure R Local Return Guidelines issued by the Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Memorandum of Understanding Article 4 – Audit and Reporting Requirements between LACMTA and Foothill Transit (collectively "Measure R Program"), that could have a direct and material effect on Foothill Transit's compliance with the Measure R Program for the year ended June 30, 2023.

In our opinion, Foothill Transit complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Measure R Program for the year ended June 30, 2023.

***Basis for Opinion on Measure R 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 Measure R Program. Our responsibilities under those standards and the Measure R Program are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Foothill Transit 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 the Measure R Program. Our audit does not provide a legal determination of Foothill Transit'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 Measure R Program.

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### ***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 Foothill Transit'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 Measure R Program 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 Foothill Transit's compliance with the requirements of the Measure R Program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Measure R Program, 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 Foothill Transit'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 Foothill Transit'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 Measure R Program, but not for the purpose of expressing an opinion on the effectiveness of Foothill Transit'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 the Measure R 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 the Measure R 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 the Measure R 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.

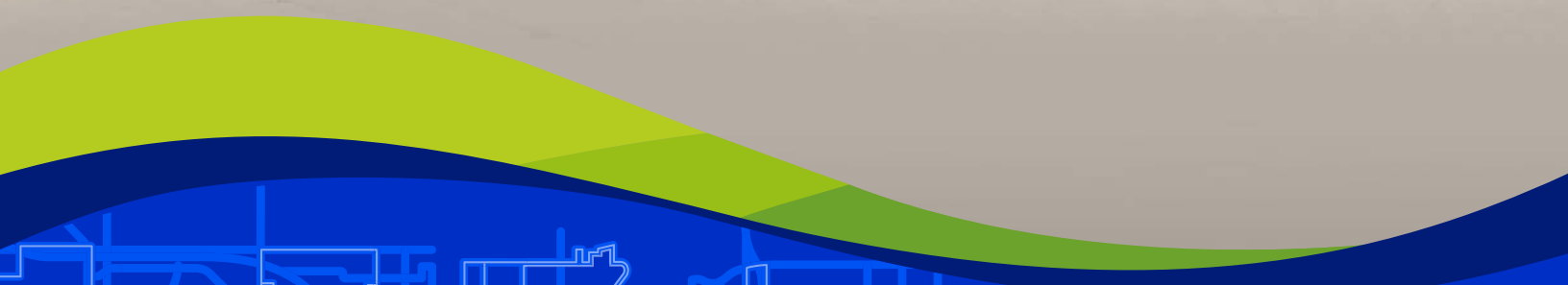
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Measure R Program. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Crowe LLP". The letters are cursive and fluid.

Crowe LLP

Los Angeles, California  
December 22, 2023





**Foothill Transit** Going Good Places

Arcadia  
Azusa  
Baldwin  
Covina  
Irwindale  
San Dimas  
Temple City  
La Verne



January 26, 2024

To: Governing Board

Subject: **San Gabriel Valley Council of Governments San Gabriel Valley Transit Feasibility Study Update**

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### **Recommendations**

Receive and file the San Gabriel Valley Council of Governments San Gabriel Valley Transit Feasibility Study Update.

### **Analysis**

During the August 26, 2022 Governing Board Meeting, staff from the San Gabriel Valley Council of Governments (SGVCOG) presented an overview of the SGV Transit Feasibility Study. This report is an update on the SGVCOG's progress.

### **San Gabriel Valley Transit Feasibility Study**

The San Gabriel Valley Transit Feasibility Study was initiated following the Los Angeles Metro (Metro) Board decision in February 2020 to withdraw the State Route (SR) 60 alternative in the Eastside Transit Corridor Phase 2 project to extend the Metro A Line (Gold). Recognizing that the corridor communities are committed to high-quality transit solutions and that the Study area is lacking in transit access – with many communities reliant on public transit to access jobs, schools, healthcare, and recreational facilities – Metro has partnered with the San Gabriel Valley Council of Governments (SGVCOG) to conduct a feasibility study to identify potential project alternatives to best serve these areas.

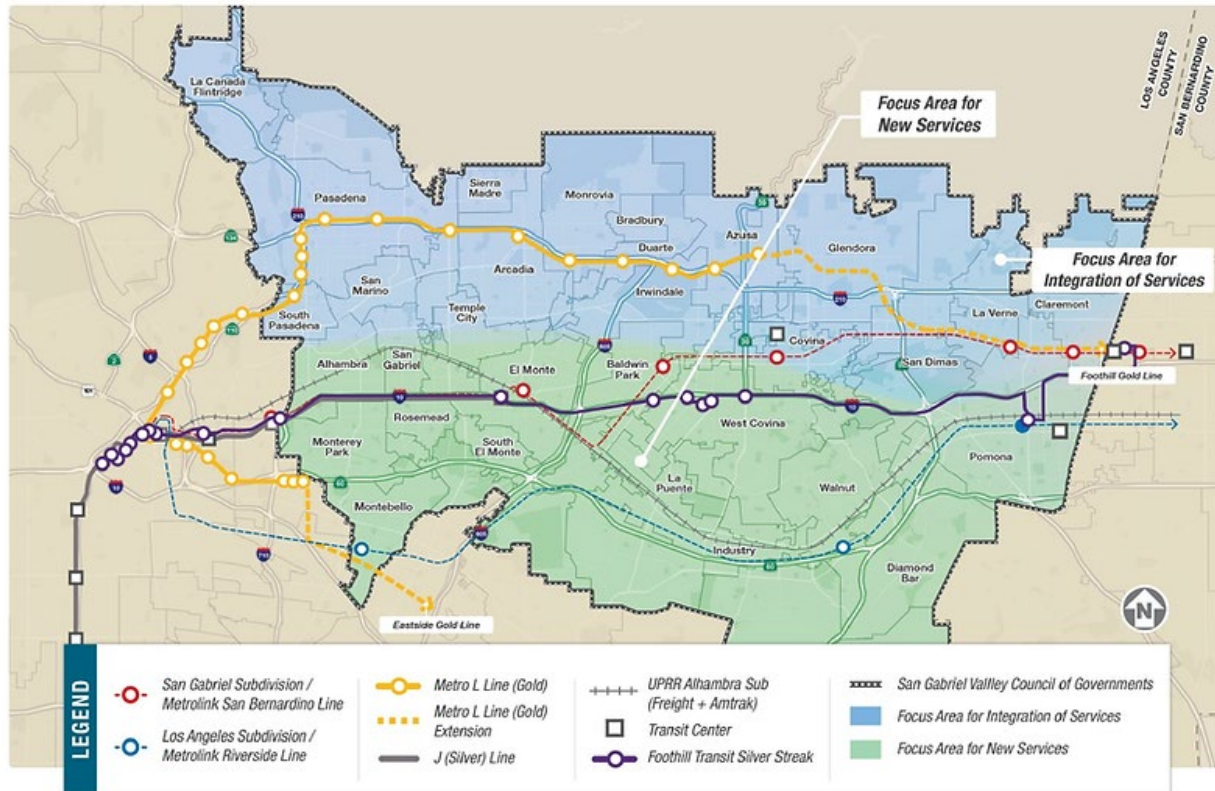
The Study area includes all 31 cities and the unincorporated communities within the San Gabriel Valley Council of Governments service area:

Alhambra, Arcadia, Avocado Heights, Azusa, Baldwin Park, Bradbury, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, Hacienda Heights, Industry, Irwindale, La Canada Flintridge, La Puente, La Verne, Monrovia, Montebello, Monterey Park, Pasadena, Pomona, Roland Heights, Rosemead, San Dimas, San Gabriel, San Marino, Sierra Madre, South El Monte, South Pasadena, Temple City, Walnut and West Covina.



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**Map of the Study Area**



The SGVCOG conducted Phase 1 of the feasibility study between July 2021 and June 2022, and has recently begun the Phase 2 analysis. During Phase 1, the team evaluated 15 possible alternatives for improving mobility in the San Gabriel Valley. The concepts were scored based upon such criteria as whether they increased access to major transit hubs, fulfilled near-term mobility needs, improved transit service, supported land use development, and more. Upon conducting this evaluation, the SGVCOG elected to reduce the list of alternatives from 15 to the five most feasible options into Phase 2.

The feasibility study has identified both short- and long-term project alternatives needed to meet the San Gabriel Valley’s evolving transportation needs—analyzing the most feasible and appropriate options for high-quality transit improvements. The primary modes under consideration for short-term implementation include Bus Rapid Transit (BRT), similar to the Wilshire BRT line; or Rapidbus (street-running with transit priority). Short-term options include increased frequencies and longer operating hours on existing services. Recognizing that many trips are made within the San Gabriel Valley, other near-term project alternatives include developing better north/south connections to the existing east/west corridor served by Metro, Metrolink and Foothill Transit. Further short-term solutions may include the introduction of



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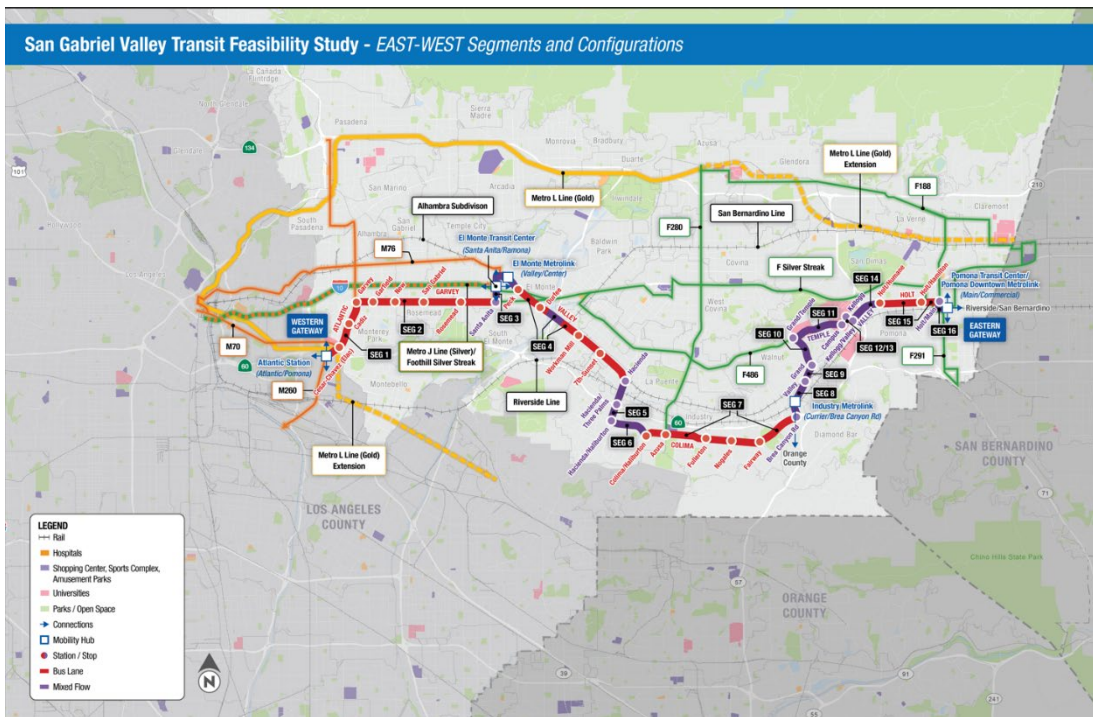
new Bus Rapid Transit (BRT) service that requires less intensive construction, or new Light Rail Transit (LRT) lines.

Metro has identified \$635.5 million of local transportation funds starting in fiscal year 2022 for a near-term (15 years) transit capital improvement project, with additional funding for long-term options (2053), subject to funding availability.

The screening analysis resulted in the recommendation to carry forward one east-west concepts along with four north-south concepts.

**East- West Concept- Atlantic Station to Downtown Pomona**

The proposed east-west concept starts at Atlantic Station and ends at the Pomona Transit Center. The routing starts at the Metro E Line Atlantic Station to El Monte Transit Center in El Monte via Atlantic Avenue and Garvey Avenue. Then from El Monte to the Walnut/Diamond Bar border via Valley Boulevard and Colima Boulevard, and the Walnut/Diamond Bar border to the Pomona Transit Center in Pomona via Temple Avenue and Holt Boulevard. See map below.

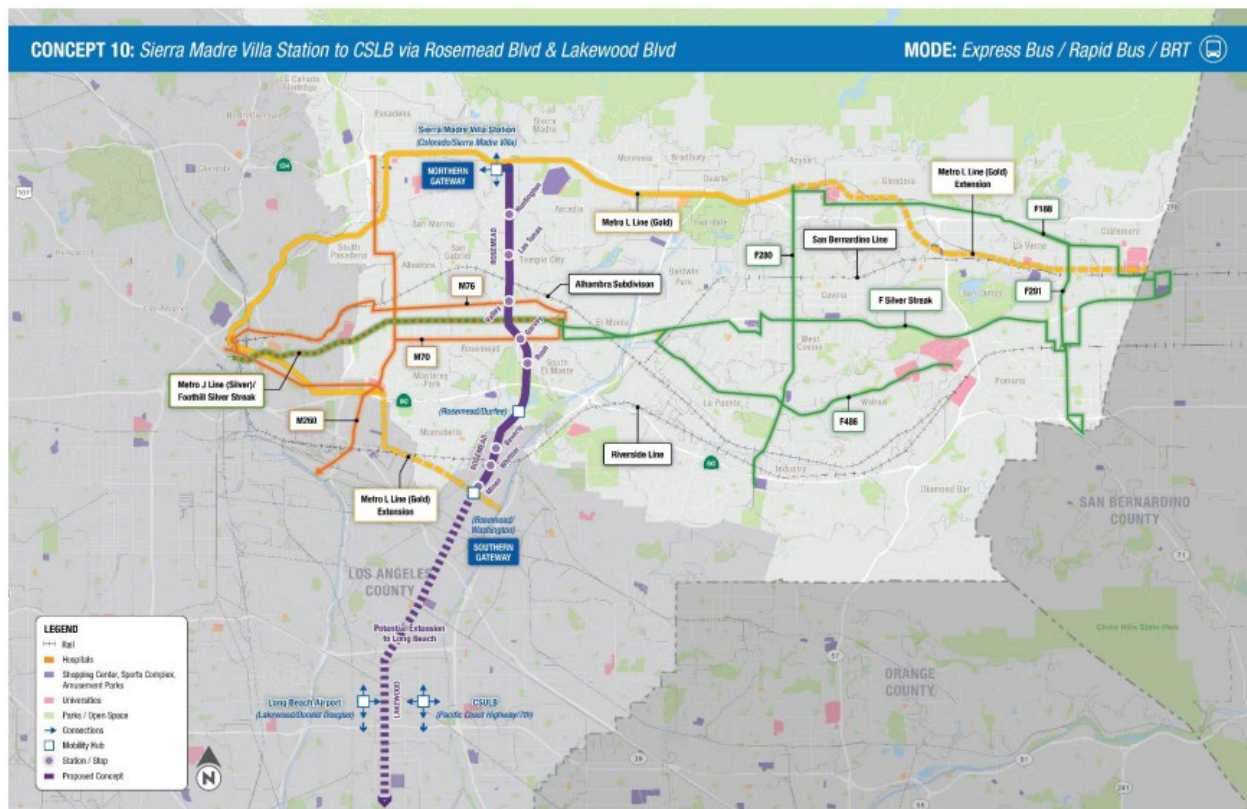




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Concept 10 - Sierra Madre Villa Station to CSULB via Rosemead Blvd & Lakewood Blvd

Concept 10 is a north-south BRT service utilizing Rosemead Boulevard within the San Gabriel Valley study area. The route would extend from the Sierra Madre Villa Station via Sierra Madre Villa Avenue and Colorado Boulevard to access Rosemead Boulevard. The service would follow Rosemead Boulevard to Pico Rivera and could potentially be extended south via Lakewood Boulevard to Long Beach serving Long Beach Airport and California State University at Long Beach.

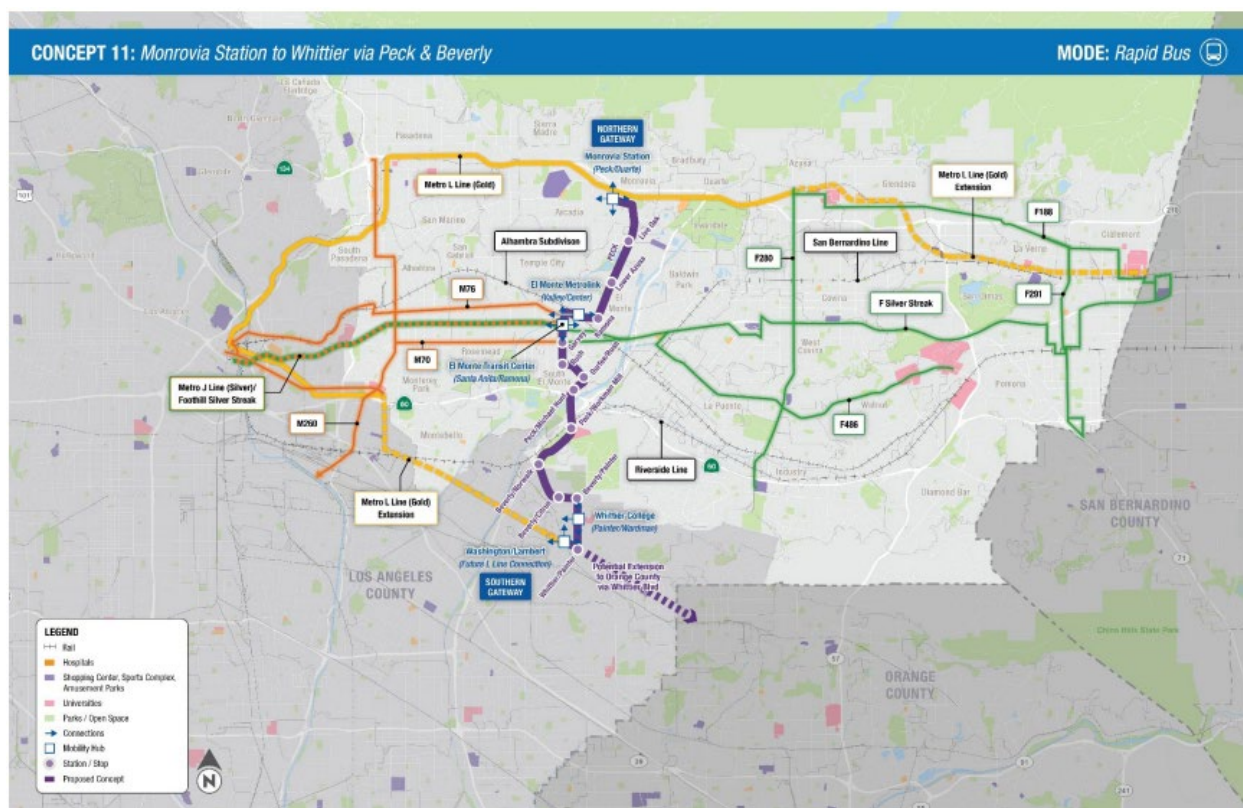




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Concept 11- Monrovia Station to Whittier via Peck & Beverly

Concept 11 is a north-south service which operates between Monrovia Station along the Foothill A Line (Gold) and the proposed future Eastside E Line (Gold) station at Washington Boulevard / Lambert Road in Whittier (refer to Figure 5.) The route extends from the northern terminus at Monrovia Station at Myrtle Avenue near Duarte Road south via Myrtle Avenue to Peck Road, continuing along Peck Road to Workman Mill Road, and then extends south along Peck Road to Workman Mill Road. From that point, the service would extend to and through downtown Whittier via Beverly - Painter - Whittier terminating at the proposed Eastside E Line (Gold) station at Washington Boulevard/Lambert Road.



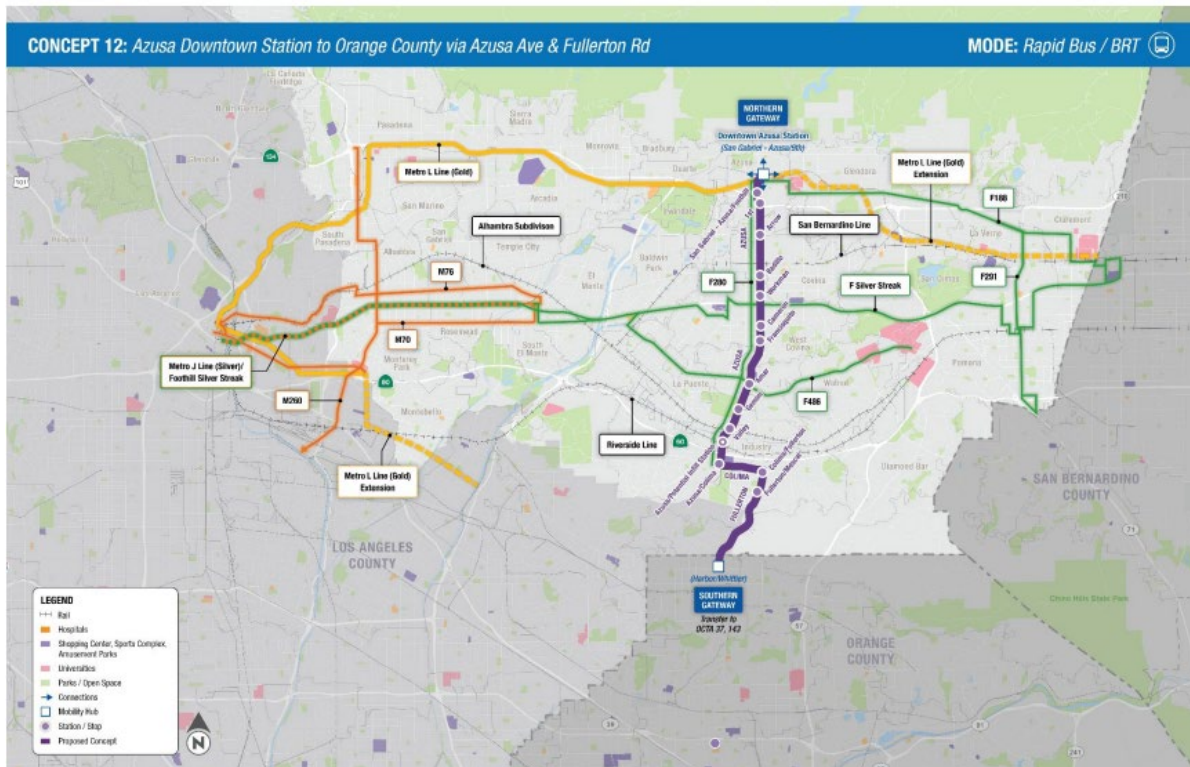


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Concept 12 - Azusa Downtown Station to Newport Beach via Azusa Ave & Harbor Blvd

Concept 12 is a BRT service which connects between the Downtown Azusa A Line (Gold) station and Hacienda Heights operating primarily along Azusa Avenue, where Foothill Transit currently operates high-frequency Line 280. The concept includes an extension to the vicinity of Harbor Boulevard/Whittier Boulevard in La Habra where a number of Orange County Transit Authority (OCTA) lines are available including the high frequency Line 37. In the event a BRT service were established along this route, it would potentially be operated as a high-frequency, limited-stops overlay supplementing and potentially partially replacing some of the existing Line 280 frequencies. Refinements to be considered in the Feasibility Analysis include:

- In the event the service is not extended to Orange County - Consideration for terminating the route at a mobility hub to be established in the vicinity of the Puente Hills Mall, where connections to a number of Foothill Transit services would be available; Or,
- In the event the service is extended to Orange County - Consideration for terminating the route at the Fullerton Transportation Center, which is a major bus and rail hub in northern Orange County.

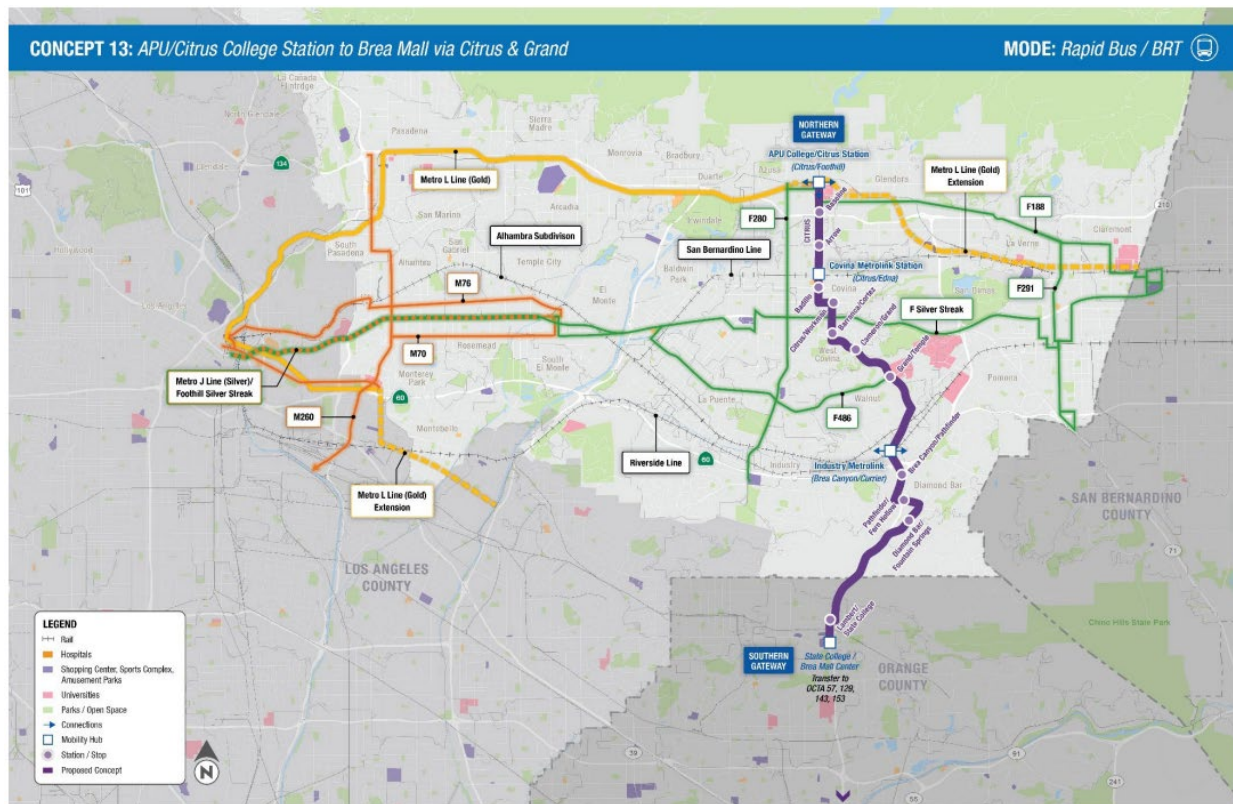




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Concept 13- APU/Citrus College Station to Anaheim via Citrus & Grand

Concept 13 is a north-south service, which extends south from the APU College/Citrus Station of the Foothill A Line (Gold) via Citrus Avenue transitioning to Grand Avenue and continuing south the Diamond Bar with a potential extension to Brea Mall in Orange County.







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Study Timeline



The Phase 2 planning studies, which were initiated in October 2022, are nearly completed and a final report will be prepared documenting the final outcomes of the study, incorporating comments from the involved jurisdictions, stakeholders and general public in meetings to be scheduled late this year.

Sincerely,

Joseph Raquel  
Director of Planning

Doran J. Barnes  
Chief Executive Officer



January 26, 2024

To: Governing Board

Subject: **Foothill Transit Code of Conduct Policy Update**

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### **Recommendation**

Receive and file the update on Foothill Transit Code of Conduct Policy.

### **Analysis**

Proper passenger behavior on Foothill Transit property and on board Foothill Transit vehicles is essential for delivering quality service to our community ensuring the safety of transit customers as well as Foothill Transit and contractor staff. The Code of Conduct establishes:

- Guidelines for conduct of transit passengers to ensure their safety and the safety of contractor staff.
- A process to suspend an individual who violates the provisions of the Code of Conduct Policy.
- A consistent methodology to ensure safe and reliable transportation within the communities we service.

Throughout 2023, Foothill Transit met with representatives from the Transportation Security Administration (TSA), the Los Angeles County Sheriff's Department (LASD), and numerous other law enforcement agencies within the San Gabriel Valley, all who assisted in developing the Code of Conduct Policy. Additionally, this item was reviewed by the Security and Emergency Preparedness Planning Team comprised of Foothill Transit staff, contractors, local, state, and federal law enforcement as well as General Counsel for Foothill Transit. Contractor teams also communicated this proposed Code of Conduct policy with its respective labor and bargaining groups. Because of this holistic and inclusive review process, as well, as best practices within the surface transportation sector, Foothill Transit staff presented the Code of Conduct policy at the August 2023 Executive Board where it was adopted (Attachment A).

Immediately after the Executive Board adopted the Code of Conduct policy, staff and contractors worked on several areas to effectively operationalize the policy that included:



- Implemented a series of robust procedures
- Continued 4-hour de-escalation training to contractors taught by sworn peace officers from the Los Angeles County Sheriff's Department (LASD).
- Made the Code of Conduct Policy available on website and Foothill Transit Watch application.
- Developed Notice of Violation citations to be used for violations
- Planned a long-term marketing program
- Expanded security plans for a layered approach to supplement the Los Angeles County Sheriff Bus Riding Teams

Since the policy was adopted, there have been numerous violations of the Code of Conduct policy; however, no citations have been issued mainly because offenders fled the scene prior to a law enforcement response. However, staff and contractors were recently successful in obtaining a permanent 3-year restraining order on a repeat offender who assaults bus operators. The order was granted by a Los Angeles Superior Court magistrate after months of legal and staff work, which included court testimony. The enforcement of both the Code of Conduct and this permanent court restraining order must be left to either security and/or law enforcement.

Foothill Transit recognizes a safe and secure working environment is essential and no foolproof system exists to guarantee total security; however, there are procedures that enhance employee security. The contractor shall be responsible for the safety and security of the passengers and Facilities and Equipment provided by Foothill Transit for the contractor's use. The contractor shall work cooperatively with Foothill Transit staff, other contractors, and local, state, and federal representatives in developing and implementing security procedures (Sec. 20 (a) Contractor language). Therefore, the intent of the Code of Conduct is firmly based on the contractual agreement of "working cooperatively" in the interest of employee, contractor, and passenger safety and the following excerpt is the foundation to the procedural guidelines:

*Contractors shall never enforce a rule or procedure. Simply explain it one time. If the policy continues to be violated, notify dispatch and/or law enforcement and ask for assistance. Enforcing policies should be left to law enforcement and transit security officers.*

*Schedule for Implementation*



At the August 2023 Executive Board meeting, staff communicated the following implementation schedule and all were completed with only a minor delay in the actual implementation date. A long-term external marketing campaign is being developed and staff continues to pursue best practices and other mitigation efforts to ensure a safe and secure riding and working environment.

Activities	Dates
Executive Board Meeting	<b>August 22, 2023 - COMPLETED</b>
4-hour LASD De-escalation Training - KEOLIS	<b>August 26, 2023 - COMPLETED</b>
4-hour LASD De-escalation Training - TRANSDEV	<b>September 16, 2023 - COMPLETED</b>
Implementation & Marketing Campaign	<b>October 1, 2023 - FY24 - COMPLETED (Implementation delayed to November 1, 2023 and Marketing Campaign ongoing)</b>

Sincerely,

John Curley  
Chief of Safety and Security

Doran J. Barnes  
Chief Executive Officer



# Foothill Transit

<b>Code of Conduct Policy</b>	Policy No: SS2023-001
	Revised: N/A
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## **Purpose and Background**

Behavior on transit property is primarily governed by California Penal Code (CPC) section 640 PC. There are other related statutes in the CPC and local governments. Policies of local law enforcement, including our current law provider, the Los Angeles County Sheriff’s Department, also affect enforcement.

The purpose of this policy is to define a customer code of conduct allowing Foothill Transit to maintain and operate a safe, efficient, and effective public transit system for the safety and comfort of all persons who interact with its public transit services. This policy also governs passenger conduct on Foothill Transit property that may affect Foothill Transit services. Passengers and the public may be denied services or access to facilities because of unacceptable conduct as described herein.

## **DEFINITIONS:**

1. **Agency:**

The public transportation agency known as Foothill Transit.

2. **Agency Representative:**

All duly authorized agency staff members, including contracted Coach Operators, Supervisors, Managers, and contracted Security employees.

3. **Agency Property:**

Buses and other public transportation system facilities owned, leased or operated by Foothill Transit. “Public transportation system” is defined by Section 99211 of the Public Utilities Code.



# Foothill Transit

<b>Code of Conduct Policy</b>	Policy No: SS2023-001
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#### 4. **Agency Facilities:**

All property and equipment of Foothill Transit, including, without limitation, inside and outside areas of Agency property, transit centers, transit stores, bus stops or shelters, transfer points, signage, and buses or other vehicles used to provide agency services.

#### 5. **Public Area:**

Those portions of Foothill Transit facilities that are open for public use for transit or transit related purposes.

#### 6. **Transit Services:**

Fixed route bus service and special event services.

#### 7. **Inappropriate, Threatening, or Harassing Conduct:**

Any individual or group activity which is harassing, disruptive or injurious to Agency employees, customers or other individuals lawfully using Agency Facilities or services; or which is damaging or destructive to transit facilities or services. A violation of local, state, or federal law may also constitute inappropriate conduct. The fact that an individual is or is not criminally or civilly charged or convicted of an incident of inappropriate conduct does not bar investigation and/or suspension under this policy.

#### 8. **Fare Media:**

The methods issued by or on behalf of Agency for payment of fare, including passes, cards, transfers, vouchers, and mobile ticketing.



# Foothill Transit

<b>Code of Conduct Policy</b>	Policy No: SS2023-001
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## REGULATION OF CONDUCT:

The following activities and/or behaviors are prohibited on Agency property, shall not be engaged in by persons utilizing or desiring to utilize Agency services, and may be cause for removal or suspension from Agency property or service:

### Fares:

- Refusing to pay a proper fare with cash or accepted fare media (including mobile ticketing).
- Boarding an Agency vehicle or entering other fare-required zones, without proof of valid fare media or without having adequate fare ready and paying fare upon boarding an Agency vehicle.
- Falsely representing oneself as eligible for a waiver or a special or reduced fare, obtaining fare media by making false or misleading representation.
- Boarding an Agency bus through a rear door to avoid payment.
- Entering an Agency vehicle or facility in such a way as to bypass or avoid any fare- required zone and fare collection. (i.e., boarding through the rear door)

### Safety:

- Refusing to remain stationary while the bus is in motion when a seat is available or standing in front of the standee line near the driver’s seat.
- Using cellular phones and audible devices (i.e. portable radio, musical instruments, tape, CD player, TV, laptop, tablet, etc.), unless such equipment is used with head/earphones so that sound is limited to that person only, or with the volume



# Foothill Transit

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muted. Cellular phones may not be used on external speaker mode.

- Causing sounds that are unreasonable and highly disruptive to other individuals using Agency Facilities or services, including but not limited to: prolonged loud, abusive, indecent, profane, or drunken conduct.
- Drinking alcoholic beverages or possessing open containers of alcoholic beverages.
- Bringing on-board any non-collapsible strollers, baby buggies, walkers, or carts which block the aisle and restrict the free movement of passengers.
- Bringing on-board buses any packages, bags, or articles that cannot be held in the lap of the passenger, other than bags of groceries or limited amounts of luggage that do not block the aisle and restrict the free movement of passengers.
- Hanging excessive items on, or attached to, a mobility device, i.e. wheelchair, scooter, or walker. This creates potential unsafe securement. Oxygen bottles or tanks required for medical purposes must be properly secured and sized for the mobility device and placed in a location that does not restrict proper and safe securement of the device.
- Improper placement of bicycles. The agency provides bicycle racks on fixed route buses. Bicycles placed on the bike racks cannot have improperly secured bags hanging from them. Bicycles left unattended will be removed and stored for 10 business days prior to disposal.
- Unnecessary conversations with Coach Operators. Due to safety concerns with distracted driving, the agency prohibits Coach Operators from having non-business conversations with customers.





# Foothill Transit

<b>Code of Conduct Policy</b>	Policy No: SS2023-001
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- Hanging or swinging from stanchions or other bus equipment with feet off the floor, or hanging out, reaching out, or putting anything out of bus windows.

### Civility and Compliance:

- Eating or drinking on board agency buses.
- Refusing to vacate designated seats and wheelchair areas on buses for senior citizens and people with disabilities when requested by those persons or by the driver/conductor on their behalf.
- Vandalism, graffiti or damage of any kind to Agency facilities properties/buses/shelters etc. Such acts shall also be subject to criminal charges.
- Bringing on board any bags of open or empty aluminum cans, plastic or glass bottles or any material that has an offensive odor or is leaking any liquids.

### Animals:

- Improper containment and conduct of animals. Designated service animals must always be on leash and under control of the passenger. Passengers may be asked to provide information about the service animal's tasks. All other animals must be kept in a secure pet carrier that fits on the passenger's lap.
- Denying seats to other passengers or blocking aisles due to animals or carriers.
- Not promptly cleaning up animal waste from Agency vehicles and Facilities.

In addition to the above, the following conduct is prohibited in all



# Foothill Transit

<b>Code of Conduct Policy</b>	Policy No: SS2023-001
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Agency facilities, including but not limited to, buses, transfer points, and bus stops.

- Smoking, including vaping or use of any electronic or other smoking device, on agency buses, inside agency facilities, or outside designated smoking areas at Agency Facilities.
- Fighting, pushing, crowding, shoving, or initiating physical contact toward another passenger. Such conduct may result in the immediate removal of the violator from Agency facilities, potential permanent suspension of the violator’s use of Agency Facilities, and may be cause for law enforcement intervention.
- Gambling or solicitation.
- Behavior that is disruptive, harassing, or threatening in nature to agency customers or employees is prohibited. This includes following and/or stalking customers or employees.
- Roller-skating, rollerblading, using scooters, or skateboarding.
- Otherwise disorderly or inappropriate conduct which is inconsistent with the safe and orderly use of transit buses or facilities for their intended purpose.

In addition to a violation of this policy, the following conduct on any Agency buses, or Facilities, including bus stops or platforms are cause for law enforcement intervention.

- Use of counterfeit or stolen fare media (pass, transfer, ride card, or Foothill Transit ID).
- Stealing or willfully damaging, defacing, or destroying Agency property. The Agency will prosecute anyone who steals or willfully damages, defaces, or destroys Agency property.



# Foothill Transit

<b>Code of Conduct Policy</b>	Policy No: SS2023-001
	Revised: N/A
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- Lighting an incendiary device: e.g., match, lighter, torch or flare, except use of a match or lighter in designated smoking areas at all Agency Facilities.
  
- Assault or threat of assault. Assault of a transit employee is subject to violation under Penal Code sections 241.3(a) and 243.3(a) and is punishable by fine or imprisonment. Such conduct will also result in the immediate removal of the violator from Agency Facilities and may lead to potential permanent suspension of the violator’s use of Agency Facilities.
  
- Bringing any items of a dangerous nature on-board a bus or inside any agency facility, including but not limited to weapons (firearms, taser, knives or swords), flammable liquids; dangerous, toxic or poisonous substances, vessels containing caustic materials, chemicals, acids or alkalis.
  
- Obstructing or interfering with the Coach Operator’s safe operation of the bus.
  
- Indecent exposure, unwelcome touching, or lewd acts of any kind (passengers or employees).
  
- Entering or remaining on Agency buses and inside Agency facilities or Agency property after having been notified by an authorized individual not to do so, or boarding or remaining on Agency buses, or property during the period when an individual has been suspended from all Agency property.

## **FOOTHILL TRANSIT CENTERS AND OTHER AGENCY FACILITIES**

- Agency facilities including, but not limited to, Agency transit centers exist for the convenience of passengers.
  
- No person shall occupy or use any Agency facilities except for the purpose of boarding, disembarking, waiting for an



# Foothill Transit

<b>Code of Conduct Policy</b>	Policy No: SS2023-001
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agency bus, or conducting agency related/authorized business. Persons occupying Agency Facilities may be required to identify the intended agency route and destination upon the request of an agency employee or representative. Persons who fail to identify the intended Agency route or destination will be asked to leave the property. Persons loitering at Agency facilities longer than twenty minutes or until their bus arrives will be asked to leave the property.

- No person occupying Agency facilities for the purpose of waiting to greet passengers on any arriving Agency bus shall fail or refuse to leave the facility promptly after the arrival of the Agency bus for which the person is waiting.
- Presence of bodily fluids. Due to health and safety concerns, passengers who have bodily fluids, urine, feces, or blood on themselves or their clothing are prohibited from entering Agency facilities.
- No person shall affix or post signs, stickers, buttons, advertisements, circulars, or other printed materials on an Agency Facilities. Written permission must be obtained from Agency prior to placing, posting, or displaying a posters, notices, advertisements, signs, or other written material on an Agency Facility.
- Persons shall obey any sign intended to provide for the safety and security of transit passengers or transit systems.
- Persons shall obey all other notices and signs posted by Agency-on-Agency Facilities.



# Foothill Transit

<b>Code of Conduct Policy</b>	Policy No: SS2023-001
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## **REMOVAL FROM TRANSIT FACILITIES**

The refusal to comply with the provisions above may lead to the removal of the violator from Agency property, Agency facilities, Agency Services, or other Transit Facilities. If a violator refuses to vacate the premises, Agency may contact law enforcement and the individual may be subject to arrest for trespassing.

## **SUSPENSION PROCEDURE**

The following steps may be taken following agency representative's determination that there have been documented incidents of conduct in violation of this policy for which a warning was issued, or one or more serious incidents of unacceptable conduct by an individual. Length of suspension, including whether such conduct would result in a permanent suspension, will be determined by the severity of the incident at Agency's sole discretion.

Prior to suspending any person from use of Agency property or services or imposing any restrictions on such person's use of Agency property or services, an Agency representative will issue, or cause to be issued, to the person involved, a written suspension letter. The letter shall indicate the reasons for the suspension, the time period of the suspension, and the facilities and/or services made subject to safety conditions or restrictions.

## **APPEAL PROCEDURE**

The person may appeal in writing within ten (10) days after the commencement of the suspension. An appeal shall contain a copy of the suspension notice, and a statement setting forth the reason that the suspension should be rescinded, altered, or reduced. The appeal must be mailed or delivered to the Deputy CEO c/o Foothill Transit, 100 South Vincent Avenue Suite 200 West Covina, CA 91790. The Deputy CEO or designee shall render a decision no later than ten (10) days after receipt of an appeal.



# Foothill Transit

<b>Code of Conduct Policy</b>	Policy No:	SS2023-001
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## **NON-COMPLIANCE WITH SUSPENSION ORDER: TRESPASSING**

If an individual subject to a suspension order enters the specified facilities or services before the return date listed in the suspension letter, law enforcement will be called and the individual will be subject to arrest for trespassing.

## **ELECTRONIC SURVEILLANCE**

All Agency buses and Facilities are equipped with electronic surveillance devices/cameras used to view accidents, incidents and complaints received from the customers.

Policy History:

*Adopted: Executive Board on August 22, 2023*

*Effective: August 26, 2023*

Doran J. Barnes  
Chief Executive Officer