

POMONA VALLEY TRANSPORTATION AUTHORITY
WEDNESDAY, SEPTEMBER 9, 2020
REGULAR BOARD OF DIRECTORS MEETING MINUTES

Present:

Claremont

Corey Calaycay, Councilmember
Kristin Mikula, Community Services Manager

La Verne

Bill Aguirre, Parks & Recreation Director

Pomona

Lily Perez, Public Works
Jizelle Campos, Public Works
Nora Garcia, Councilmember

San Dimas

Brad McKinney, Assistant City Manager
Emmett Badar, Mayor

PVTA

George Sparks, Administrator
Nicole Carranza, Sr. Program Manager
Diana Mendez, Mobility Manager
Erika Cardenas, Mobility Manager

First Transit

Jorge Gonzalez, General Manager

Foothill Transit

Josh Landis, Foothill Transit
Joseph Raquel, Foothill Transit
Doran Barnes, Foothill Transit

California Air Research Board

Yachun Chow

Members of the Public

Patrick Tubbs (call in), Rider

1. **Call to Order**

The meeting was called to order at 5:00 p.m. by Corey Calaycay

2. **Consent Calendar**

- A. Minutes (June)
- B. Administrator's Report
- C. Financial Report (July)
- D. Check Register (August)
- E. Surplus Vehicles
- F. Appoint CJPIA Delegate

Action: It was **MOVED** by Emmett Badar, **SECONDED** by Bill Aguirre, Board unanimously **VOTED** to approve the consent calendar as presented.

3. **July Operations Report**

George Sparks Presenting

Most services are running at about 30-40% of their normal volume due to Covid-19. This reduces cost but fixed costs remain high. PVRTA continues paying for four (4) dedicated cab drivers down from the eight (8) drivers PVRTA had before Covid-19 along with the fixed cost of things like facilities and salaries. The cab industry does not attract many new drivers which is needed to maintain low wait times. The share of ridership is different from previous reporting, about 73% of rides for Get About are from Pomona. This is something PVRTA is monitoring on an ongoing basis. Claremont and San Dimas are running at about 40% of their normal ridership. Our priority is to keep drivers, staff and riders safe. We continue providing PPE to the drivers in the form of masks, gloves, sanitizers. Sneeze guards have been installed in vehicles. Masks are required to ride all of PVRTA services.

4. **Budget Modification**

George Sparks Presenting:

The initial budget was adopted in June. This was before knowing patterns and revenue sources or what Metro would do to help with Covid-19 affected providers. We have since then revisited the budget. Metro has made a draft recommendation to increase the funding source PVRTA depends on which is the subregional incentive. The increase would be about \$350,000. Metro will act at their September board meeting regarding the recommendation. PVRTA would then come back with a modified budget. This would reduce city contributions by about 19% or \$415,000. PVRTA is recommending to the board the transfer of \$250,000 from the general reserve fund to the capital fund and technology replacement funds. We will formalize this modified budget at the October Board meeting.

5. **Service Evaluation and Action Plan**

George Sparks presenting:

It has been PVRTA policy to report out, at the end of the fiscal year, the key data from each operating year. This is to see what direction it points us towards, to know where we are improving. We are recommending upholding the safety and care taking steps adopted during Covid-19 to keep our staff and the public safe. We will need to expand outreach, possibly through new channels, to let the public know that PVRTA is safe to ride, what services are available, and to get input from the community. We will move forward with in person events when it is safe to do so.

Another focus is service quality since we are running at low levels. We want to attract people to return to our services. This will become a major focus along with overall customer service. PVTA will assess what the transportation needs of the public might be going forward. PVTA implemented a new service model this year. This is with a single contractor (stead of two) that can acquire multiple subcontractors. The goal of this change was to place all our service on the same software platform and make the services more efficient. One of the big recommendations from our service design analysis in 2019 was to strengthen the regional partnerships. Right now, PVTA is meeting regularly with Foothill Transit. This partnership will help PVTA as we transition into Zero Emission Vehicles. PVTA is working on a plan for PVTA and Claremont into Zero Emission Vehicles. PVTA Runs Get About and operates for San Dimas and Claremont, but Claremont is also its own entity as a transit operator. Claremont has operating funds that can be used to pilot different transit systems. The goal is to add more customer service features such as a smart phone app. One recommendation to San Dimas is that if we are going to start providing a smart phone app it would be best that they are included in the PVTA registration system.

6. ZEB Update – Presentation from CARB Yachun Chow, Ph.D.

Nicole Carranza introduction

PVTA is in the planning and research process for the purchase of zero emission vehicles. We are researching grants that PVTA is eligible for. Mobility Management is hosting a virtual workshop and conducting an online survey to gather information. A ZEB planning committee will involve staff from the four cities, to start working together to discuss what the plans are for electric vehicles. A meeting is planned for September 30, 2020.

Yachun Chow, Ph.D. Presenting

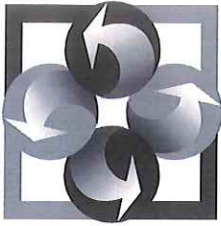
A presentation titled “Program Overview on Innovative Clean Transit Regulation” was given by Dr. Chow. Outlined in the presentation was the overview of the Innovative Clean Transit (ICT) regulation which is to convert California transit to 100% zero emission by 2040. Planning and synchronization, which would include piloting, procurement, infrastructure installation and fuel cost management. Funding opportunities and information and resources.

7. Oral – members of the public may address the Board on items of interest during this time

A member of the public “Pat” addressed the Board. He is a rider that has had issues in the past. His past issues/concerns included but were not limited to: late pickups, not being able to choose his vehicle, the want for an app based service by PVTA, free fares for same day services, more services. The rider’s concerns were documented, and a PVTA Mobility Manager will follow up with details of his past trips and any other findings.

8. Adjourn to next regular meeting

Next meeting: Wednesday, October 14, 2020



Pomona Valley
Transportation
Authority

A partnership of the cities of Claremont, La Verne, Pomona and San Dimas


2120 Foothill Boulevard ■ Suite 116 ■ La Verne California 91750
phone 909-596-7664 fax 909-596-7399

October 14, 2020

**AGENDA
ITEM #2B**

MEMORANDUM

To: Pomona Valley Transportation Authority

From: George L. Sparks, PVRTA Administrator 

Subject: **Administrator's Report-October 2020**

A. Board Meeting Schedule for FY 2021

PVRTA's board meetings are scheduled as needed to facilitate the planning and budgetary process. Meetings are normally held on the second Wednesday of the month at 5:00 p.m. in the La Verne City Hall conference room. Currently, board meetings are being held via Zoom due to the pandemic. Below is a tentative board meeting schedule for FY 2021:

- **October 14, 2020**-Adopt Modified Budget, Metro Fareless System Initiative
- **January 13, 2021**-Preliminary FY 2022 budget
- **April 14, 2021**-Regular board meeting
- **June 9, 2021**-Adopt FY 2022 budget, elect officers

B. Operations

First Transit began providing a consolidated bill in August. In the past, we received separate bills from First Transit for dedicated vehicle services and Network for demand response. Going forward we will receive a single bill for all services. This allows for the standardization of the data provided and more consistent classification of items such as, rider types and fare categories. This will facilitate the analysis and comparison of operating data between programs. The development of the first consolidated billing required a significant amount of review and fine tuning of the information. This resulted in a delay in the completion of the August bills and the production of the August operating reports. We will be providing the August operating reports in the next several days and expect reporting to resume its regular schedule in October. From an initial review of the ridership data, overall ridership appears to be increasing slowly, remaining well below historic norms.

The growth we are seeing appears to be mostly in demand response services like, Ready Now and San Dimas Dial-a-Cab. This growth is putting pressure on cab resources and has led some service issues in the last few weeks. We are working with our contractors to

generate additional demand response resources. Strategies under consideration include the addition of dedicated drivers to supplement the cab fleet and assigning some demand response trips to the First Transit.

The mobility managers have increased their service monitoring activities. Areas of focus include the monitoring of reservation calls for both courtesy and consistent booking procedures as well as working with the contractors to ensure that drivers are following our safety and customer service protocols. These include going to the door for Get About riders.

The Mobility Managers have flagged the rides of patrons who have encountered issues with the service. They are monitoring these rides for on time performance and following up with these riders to get their feedback regarding their experiences.

C. Service Transition

The transition to the new service model is moving forward. The next big step in terms of software is setting up the link between Ecolane and Network's scheduling platform. This will allow First and Network to transfers trips and ride status information between the two providers seamlessly. This portion of the transition has progressed more slowly than we had hoped. In order to move the process forward, Nicole Carranza has begun meeting with the IT staff on a weekly basis. The completion of this step is necessary to enable the addition of customer facing features, such as, a smartphone application and paperless fare payment. We are continuing our focus on improving service coordination between First Transit and Network.

D. Work Program

We are working on the following projects:

Financial and Planning Activities

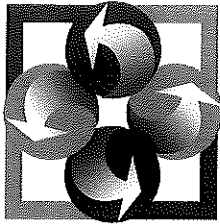
- The FY 2020 financial audit has been completed
- The annual National Transit Database reports are being completed and the initial submission will be completed in October.

Technology Improvements

- We are continuing research on a smartphone application. Staff is contacting current users of the Ecolane application and talking to operators that are making use of other products. The biggest challenge is ensuring that any customer facing technology can be used seamlessly on both the prime contractor and their subcontractor's software platforms.

Zero Emission Bus Implementation

- The four-city advisory committee met for the first time this month to provide technical guidance and share information as we move to zero emissions. We plan to continue meeting on a regular basis.



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October 14, 2020

AGENDA
ITEM #2C

MEMORANDUM

To: Pomona Valley Transportation Authority
From: George L. Sparks, PVTA Administrator
Subject: **PVTA FY 2020 Financial Audit**

Recommendation: *Approve FY2019-20 Financial Audit*

Background

Pomona Valley Transportation Authority's FY 2019-20 annual financial audit has been completed. The single audit complies with the requirements of all PVTA funding sources. PVTA is audited by the Los Angeles MTA as well.

Audit Findings

The report of the financial was performed by Pat Karis, CPA is attached for your review and acceptance. The Single Audit was performed in accordance with the Government Audit Standards issued by the Controller's General of the United States and OMB Circular A-133. The audit included a review of compliance with funding regulations as well as internal controls. Our financial statements were found to be in compliance with generally accepted accounted principles. There were no findings or questioned costs. The financial statements indicate that PVTA has reserves of \$2,050,000. The FY 2021 budget programs \$475,000 in these reserves to reduce member city contributions to Get About. PVTA has capital reserves of \$1,415,000. The replacement cost of PVTA's fleet is approximately \$2.5 million. These figures do not include the value of the (8) eight vehicles provided by the City of Claremont, which has a replacement value of approximately \$900,000.

POMONA VALLEY TRANSPORTATION AUTHORITY

**FINANCIAL STATEMENTS
AND SINGLE AUDIT REPORTS
FOR THE YEAR ENDED
JUNE 30, 2020**

**POMONA VALLEY TRANSPORTATION AUTHORITY
FINANCIAL STATEMENTS
AND SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2020**

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**POMONA VALLEY TRANSPORTATION AUTHORITY
FINANCIAL STATEMENTS
AND SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2020**

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Patrick Karis

Certified Public Accountant

Board of Directors
Pomona Valley Transportation Authority
La Verne, California

Independent Auditors' Report

We have audited the accompanying balance sheet of the Pomona Valley Transportation Authority (PVTA), for the year ended June 30, 2020, and the related statement of revenues, expenses and changes in retained earnings and combined statement of cash flows for the year then ended. These financial statements are the responsibility of the PVTA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Pomona Valley Transportation Authority as of June 30, 2020, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.



La Verne, California
September 21, 2020

POMONA VALLEY TRANSPORTATION AUTHORITY
BALANCE SHEET
JUNE 30, 2020

	General Admin	Claremont DAR	PVTA Get About	San Dimas DAC	Pomona Group Svcs	Mobility Manager	2020 Total	2019 Total
ASSETS								
Cash	\$ 2,516,815	\$ 106,857	\$ 628,275	\$ 21,678	\$ 17,075	\$ (35,589)	\$ 3,255,111	\$ 3,274,744
Accounts Receivable	11,133		630				\$ 11,763	21,997
Due from CSS	13,584		1,391				\$ 14,975	23,125
Due from Other	3,360		563,701	39,973	7,830	35,590	\$ 650,454	219,893
Prepaid Expense	7,445						\$ 7,445	7,980
Total Current Assets	2,552,337	106,857	1,193,997	61,651	24,905	1	3,939,748	3,547,739
Equipment	2,121,325						2,121,325	1,984,390
Less: Accumulated Depreciation	(1,492,836)						(1,492,836)	(1,738,424)
Net Fixed Assets	628,489						628,489	245,966
TOTAL ASSETS	\$ 3,180,826	\$ 106,857	\$ 1,193,997	\$ 61,651	\$ 24,905	\$ 1	\$ 4,568,237	\$ 3,793,705
LIABILITIES:								
Accounts Payable	\$ 4,279	\$ 16,634	\$ 161,781	\$ 9,534	\$ 2,918		\$ 195,146	\$ 277,080
Accrued Liabilities	108,660					3,235	\$ 111,895	108,310
Due to Other Governments		91,004			2,288		\$ 93,292	23,062
Due to Other Programs			2,000	52,120			\$ 54,120	38,751
General Capital Reserve	1,415,665						1,415,665	1,437,428
TOTAL LIABILITIES	1,528,604	107,638	163,781	61,654	5,206	3,235	1,870,118	1,884,631
EQUITY:								
Contributed Capital:								
Capital Grants	2,121,325						2,121,325	1,984,390
Less: Accumulated Depreciation	(1,492,836)						(1,492,836)	(1,738,424)
NET CONTRIBUTED CAPITAL	628,489						628,489	245,966
RETAINED EARNINGS	1,023,733	(781)	1,030,216	(3)	19,699	(3,234)	2,069,630	1,663,108
TOTAL EQUITY	1,652,222	(781)	1,030,216	(3)	19,699	(3,234)	2,698,119	1,909,074
TOTAL LIABILITIES & EQUITY	\$ 3,180,826	\$ 106,857	\$ 1,193,997	\$ 61,651	\$ 24,905	\$ 1	\$ 4,568,237	\$ 3,793,705

POMONA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
For the Year Ended June 30, 2020

	General Admin	Claremont DAR	PVTA Get/About	San Dimas DAC	Pomona Group Svcs	Mobility Manager	2020 Totals	2019 Totals
OPERATING REVENUE								
Passenger Fares	\$	25,237	\$ 117,296	\$ 32,504	\$ 845		\$ 175,882	\$ 230,042
Other	0	25,237	117,296	32,504	845	0	175,882	230,042
Total Operating Income								
OPERATING EXPENSES								
Purchased Transportation	0	256,110	2,619,738	221,251	37,109		3,134,211	3,203,206
Purchased Services							0	108,272
Total Operations	0	256,110	2,619,738	221,251	37,109	0	3,134,211	3,311,478
ADMINISTRATION								
Staff Salaries	280,111					113,804	393,915	342,930
Fringe Benefits	116,080					24,127	140,207	119,553
Administrative Charge	14,149	37,427	464,683	41,602	4,653		562,514	762,712
Consulting	27,916	1,220	13,905				43,041	131,387
Rent & Utilities	41,116						41,116	40,513
Office Expense	14,805	979	1,793	979		20	18,576	30,711
Legal & Professional	8,320						8,320	6,581
Equipment Maintenance	6,501						6,501	6,193
Travel & Conference	10,616					306	10,922	12,750
Telephone	2,972						2,972	3,399
Publicity & Advertising	12,505	1,712	1,375	178			15,770	56,211
Insurance	11,426						11,426	13,794
Training							0	2,040
Software	1,021						1,021	1,101
Miscellaneous	827	535					1,362	1,858
TOTAL ADMINISTRATION	548,365	41,873	481,756	42,759	4,653	138,257	1,257,663	1,531,733
TOTAL OPERATING EXPENSES	548,365	297,983	3,101,494	264,010	41,762	138,257	4,391,874	4,843,211
OPERATING INCOME (LOSS)	(548,365)	(272,746)	(2,984,198)	(231,506)	(40,917)	(138,257)	(4,215,992)	(4,613,169)

POMONA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
For the Year Ended June 30, 2020

	General Admin	Claremont DAR	PVTA Get>About	San Dimas DAC	Pomona Group Svcs	Mobility Manager	2020 Totals	2019 Totals
NON-OPERATING REVENUE								
Local grants & shared revenue:								
Local Cities Prop A Subsidy		272,746	2,460,000	173,630	30,689		2,937,065	2,979,796
Prop A Discretionary			746,050	57,876	10,228	124,400	814,154	780,882
New Freedom			120,372			14,149	244,772	240,921
Administrative Services	548,365						562,514	672,712
Interest & Miscellaneous	64,008						64,008	64,727
TOTAL NON-OPERATING REVENUE	612,373	272,746	3,326,422	231,506	40,917	138,549	4,622,513	4,739,038
NET INCOME	64,008	0	342,224	0	0	292	406,521	125,869
RETAINED EARNINGS , BEGINNING	959,725	(781)	687,992	(4)	19,699	(3,526)	1,663,105	1,537,236
RETAINED EARNINGS, ENDING	\$ 1,023,733	\$ (781)	\$ 1,030,216	\$ (4)	\$ 19,699	\$ (3,234)	\$ 2,069,626	\$ 1,663,105

POMONA VALLEY TRANSPORTATION AUTHORITY
 COMBINED STATEMENT OF CASH FLOWS
 For the Year Ended June 30, 2020

Cash Flows From Operating Activities

Net Income (Loss)		\$ 406,521
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	\$ (245,588)	
Changes in Assets & Liabilities:		
Accounts Receivable	10,234	
Due from Other Governments	8,150	
Due from Other	(425,170)	
Prepaid Expenses	535	
Accounts Payable	(81,778)	
Accrued Liabilities	3,585	
Due to other Governments	69,646	
Due to other Programs	15,369	
General Capital Reserve	(21,760)	
		(666,777)

Cash Flows Provided by Operating Activities (260,256)

Cash Flows From Investing Activities

Net Increase in Purchased Equipment (136,935)

Cash Flows From Capital
and Related Financing Activities

Net Increase in Contributed Capital 382,523

Net Increase (Decrease) in Cash (14,668)

Cash, June 30, 2019 3,274,744

Cash June 30, 2020 \$ 3,260,076

**POMONA VALLEY TRANSPORTATION AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity

The Pomona Valley Transportation Authority (PVRTA) is a Joint Powers Authority (JPA) formed in 1977, pursuant to the provisions of Article I, Chapter 5, Division 7, Title I of the Government Code of the State of California commencing with Section 6500, between the cities of Claremont, La Verne, Pomona, and San Dimas.

The JPA is governed by a board of directors composed of eight members, each serving in an individual capacity as a member thereof, without compensation, and two each appointed by the participating cities.

The PVRTA operates Get About Transportation and general public transportation services to residents of the Pomona Valley. Primary sources of funds are through the Metropolitan Transportation Authority.

Basis of Accounting

The operations of the JPA are accounted for as an enterprise fund, using the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Equipment

Equipment with a useful life of more than one year is capitalized at cost and depreciated on a straight-line method of three to 10 years. Donated equipment is capitalized at fair market value.

Note 2 EQUIPMENT

The following is a summary of the sources of funds for equipment expenditures and the related accumulated depreciation for the fiscal year ended June 30, 2020:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Proposition A Local Return Funds	647,560	508,978	138,582
CalTrans	450,616	450,616	- 0 -
FTA	1,023,149	533,243	489,906
	<u>-----</u> \$2,121,325	<u>-----</u> \$1,492,837	<u>-----</u> \$628,488

NOTE 3 FUNDING BY OPERATION

The following is a summary of Proposition A funding, showing funds used by PVTA to operate its transportation services.

	-----PASSED THROUGH-----				
	CLM DAR	SAN DIMAS	POM GROUP	GET ABOUT	TOTAL
OPERATIONS:					
Direct: MTA		57,876	10,229	746,050	814,155
FTA 5317				82,234	82,234
FTA 5310				38,139	38,139
 LOCAL RETURN:					
Pomona			30,689	1,594,080	1,624,769
Claremont	10,521			300,120	310,641
San Dimas		173,630		172,200	345,830
La Verne				393,600	393,600
 CLAREMONT					
Formula Funds	262,225				262,225
	-----	-----	-----	-----	-----
	\$ 272,746	\$ 231,506	\$ 40,918	\$ 3,326,423	\$ 3,871,593
	=====	=====	=====	=====	=====

NOTE 4 DEFINED BENEFIT PENSION PLAN

The PVTA's defined benefit pension plan, Miscellaneous Plan of the Pomona Valley Transportation Authority (Plan), provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The Plan is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements are established by State statutes within the Public Employees' Retirement Law. PVTA selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS website at www.calpers.ca.gov.

The California Public Employees' Pension Reform Act (PEPRA) which took effect in January of 2013 changed the way CalPERS retirement and benefits are applied. Plan members active prior to January 2013 are not required to contribute to the plan. Plan members hired for the first time after January 1, 2013 are required to contribute to the plan. PVTA is required to contribute the actuarially determined amounts necessary to fund the benefits for its members. The actuarial

methods and assumptions used are those adopted by the CalPERS Board of Administration. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS. The required employer contribution rate for fiscal 2019/2020 was 8.081% for employees hired prior to January 2013, and 6.985% for employees hired after January 2013.

For fiscal year 2019/2020, the Plan's annual pension cost was \$60,244. The required contribution for the fiscal year 2019/2020 was determined as part of the June 30, 2019 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included a 7.25% investment rate of return (net of administrative expenses); and projected salary increases that vary by duration of service ranging from 3.3% to 14.2%. Both of these rates include an inflation component of 2.75%. The actuarial value of the Plan's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a three year period depending on the size of investment gains and/or losses. Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into the CalPERS Risk Pool. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20 year period.

NOTE 5 GENERAL CAPITAL RESERVE

PVTA received local return funds from each participating City for capital expenditures. Local return funds received are recorded as deferred revenue until capital expenditures are made. \$632,000 in local return funds, accumulated interest, and proceeds from retired vehicles was received and \$653,763 was spent during fiscal year ended June 30, 2020. When added to the prior year's balance, the capital expenditures portion of the deferred revenue account equals \$1,415,665.

NOTE 6 ADMINISTRATIVE COSTS

Certain common administrative charges are initially recorded in the General Administration fund and reallocated to the other various funds. During the fiscal year ended June 30, 2020, the total of such charges was \$562,514.

NOTE 7 LIABILITY, INSURED PROGRAMS AND WORKERS' COMPENSATION PROTECTION

Pomona Valley Transportation Authority is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). In addition to liability coverage, the California JPIA offers other coverage programs. The various coverage programs shown below apply to this member if a dollar amount is shown as being paid for that particular program.

Liability and worker's compensation coverage are pooled self-insurance programs administered by the California JPIA on behalf of the members. Pollution legal liability insurance, all risk property insurance, and crime insurance are purchased from commercial insurance companies on behalf of the member.

Claims administration for the liability program is provided by Carl Warren & Company.
Claims administration for the workers' compensation program is provided by Sedgwick.

Comprehensive General and Automobile Liability Coverage

Period: July 1, 2019 to July 1, 2020
Limit: \$50 million combined single limit per occurrence
Annual Contribution Paid: \$16,933
Cumulative Refund Due from JPIA as of June 30, 2020: \$0

Workers' Compensation Coverage

Period: July 1, 2019 to July 1, 2020
Limit: Statutory benefits, and \$10 million employer's liability
Annual Contribution Paid: \$8,970
Cumulative Refund Due from JPIA as of June 30, 2020: \$0

Pollution Legal Liability Coverage

Period: July 1, 2019 to July 1, 2020
Limit: \$10 million per member, \$50,000 per occurrence self-insured retention
Premium Paid 2019-20: Non-Participant

All Risk Property Insurance

Period: July 1, 2019 to July 1, 2020
Deductibles: (a) \$10,000 for Buildings and Contents
(b) 5% for optional Earthquake and Flood and
(c) \$5,000 for optional Mechanical Breakdown
Premium Paid: Non-Participant

Crime Insurance

Period: July 1, 2019 to July 1, 2020
Deductible: Non-Participant Fidelity, Forgery, Theft, and Computer Fraud
Premium Paid: Non-Participant

Patrick Karis

Certified Public Accountant

Board of Directors
Pomona Valley Transportation Authority
La Verne, California

**REPORT ON THE SCHEDULE OF FEDERAL,
STATE, AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE**

We have audited the financial statements of Pomona Valley Transportation Authority, for the year ended June 30, 2020, and have issued our report thereon dated September 21, 2020. These financial statements are the responsibility of the Pomona Valley Transportation Authority management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the financial statements of the Pomona Valley Transportation Authority taken as a whole. The accompanying Schedule of Federal, State, and Local Government Financial Assistance is presented for purposes of additional analysis and is not a required part of the financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statement taken as a whole.



La Verne, California
September 21, 2020

POMONA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF FEDERAL STATE AND LOCAL
GOVERNMENT FINANCIAL ASSISTANCE
JUNE 30, 2020

Primary Grantor	Pass Through Grantor	Program Title	Program or Award Amount	Accrued or (Deferred) Revenue 6/30/2019	Receipts or Revenue Recognized	Disbursements or Expenditures	Accrued or (Deferred) Revenue 6/30/2020
Federal Transportation Administration	Los Angeles Metro Trans Authority	FTA 5317	\$ 82,234	0	\$ 82,234	\$ 82,234	0
		FTA 5310	38,139	0	38,139	38,139	0
Subtotal		New Freedom	120,373	0	120,373	120,373	0
County of Los Angeles	City of Claremont	Proposition A Local Return	300,120	0	300,120	300,120	0
	City of LaVerne	Proposition A Local Return	393,600	0	393,600	393,600	0
	City of Pomona	Proposition A Local Return	1,594,080	0	1,594,080	1,594,080	0
	City of San Dimas	Proposition A Local Return	172,200	0	172,200	172,200	0
Subtotal		Proposition A Local Return	2,460,000	0	2,460,000	2,460,000	0
County of Los Angeles	Direct	Proposition A Discretionary	746,050	0	746,050	746,050	0
County of Los Angeles	City of Claremont	Formula Funds	262,225	0	262,225	262,225	0
Total Federal, County and Local Assistance			\$ 3,588,648	0	\$ 3,588,648	\$ 3,588,648	0

**POMONA VALLEY TRANSPORTATION AUTHORITY
NOTES TO THE SCHEDULE OF
FEDERAL, STATE, AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE
JUNE 30, 2020**

NOTE 1 - GENERAL

The accompanying Schedule of Federal, State and Local Government Financial Assistance presents the activities of all Federal, State and Local financial assistance programs of the Pomona Valley Transportation Authority (PVTA) . All Federal, State and Local government financial assistance received directly from government agencies as well as Federal financial assistance passed through other government agencies is included on the schedules, with the exception of Proposition A capital Funds, which are reflected in the deferred revenue account for each applicable fund.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Federal, State and Local government financial assistance is presented using the accrual basis of accounting, as described in Note 1 of the notes to the PVTA financial statements.

NOTE 3 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the accompanying schedule agree with the amounts reported in the related Federal, State and Local government financial reports.

Patrick Karis

Certified Public Accountant

Board of Directors
Pomona Valley Transportation Authority
La Verne, California

**REPORT ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited the financial statements of the Pomona Valley Transportation Authority (PVTA) for the period ended June 30, 2020 and have issued our report thereon dated September 21, 2020.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulation, contracts and grants applicable to the Pomona Valley Transportation Authority, is the responsibility of the Pomona Valley Transportation Authority management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, we performed tests of PVTA's compliance with certain provisions of laws, regulation, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

The results of our tests indicate that, with respect to the items tested, the Pomona Valley Transportation Authority complied in all material respects, with the provisions referred to in the preceding paragraph. With respect to the items not tested, nothing came to our attention that caused us to believe that PVTA had not complied, in all material respects, with those provisions.

This report is intended solely for the information of PVTA's Board of Directors, management, and government funding agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



La Verne, California
September 21, 2020

Patrick Karis

Certified Public Accountant

Board of Directors
Pomona Valley Transportation Authority
La Verne, California

**REPORT ON THE INTERNAL CONTROL STRUCTURE
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited the financial statements of the Pomona Valley Transportation Authority as of and for the year ended June 30, 2020, and have issued our report thereon dated September 21, 2020.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of the Pomona Valley Transportation Authority for the year ended June 30, 2020, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

The management of the Pomona Valley Transportation Authority is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures.

The objectives of an internal control structure are to provide management with a reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future period is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

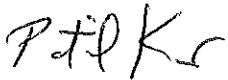
For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

- Cash Receipts
- Payroll
- Cash Disbursements
- Property and Equipment
- General Ledger

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the Pomona Valley Transportation Authority's Board of Directors, management and its regulatory agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



La Verne, California
September 21, 2020

Patrick Karis

Certified Public Accountant

Board of Directors
Pomona Valley Transportation Authority
La Verne, California

**REPORT ON INTERNAL CONTROLS
(ACCOUNTING AND ADMINISTRATIVE)
BASED ON A STUDY AND EVALUATION MADE AS A PART OF AN AUDIT OF
THE FINANCIAL STATEMENTS AND ADDITIONAL TESTS REQUIRED BY
THE SINGLE AUDIT ACT**

We have audited the financial statements of the Pomona Valley Transportation Authority (PVTa) for the year ended June 30, 2020 and have issued our report thereon dated September 21, 2020. As part of our audit, we made a study and evaluation of the internal control systems, including applicable internal administrative controls, used in administering federal financial assistance programs to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards, the standards for financial and compliance audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act of 1984, and the provisions of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. For the purpose of this report, we have classified the significant internal accounting and administrative controls used in administering federal financial assistance programs into the following categories:

Specific Requirements

Types of services
Eligibility
Reporting
Cost allocation

Internal Accounting Controls

Cash receipts
Payroll
Cash Disbursements
Property and Equipment
General ledger

General Administrative Controls

- Political Activity
- Civil Rights
- Drug Abuse Policy
- Cash Management
- Financial Reporting
- Davis-Bacon Act

The management of PVTA is responsible for establishing and maintaining internal control systems used in administering federal financial assistance programs. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objective of internal control systems used in administering federal financial assistance programs are to provide management with reasonable, but not absolute, assurance that, with respect to federal financial assistance programs, resource use is consistent with laws, regulation, and policies; resources are safeguarded against waste, loss, and misuse; and reliable data are obtained, maintained, and fairly disclosed in reports.

Because of inherent limitations in any system of internal accounting and administrative controls used in administering federal financial assistance programs, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study included all of the applicable control categories listed above. During the year ended June 30, 2020, PVTA had no major federal financial assistance programs and expended 100% of its total federal financial assistance under nonmajor federal financial assistance programs. With respect to internal control systems used in administering the nonmajor federal financial assistance programs, our study and evaluation included considering the types of errors and irregularities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether the necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses.

Our study and evaluation was more limited than would be necessary to express an opinion on the internal control systems used in administering the federal financial assistance programs of PVTA.

Accordingly, we do not express an opinion on the internal control systems used in administering the federal financial assistance programs of PVTA.

However, our study and evaluation and our audit disclosed no condition that we believe to be a material weakness in relation to a federal financial assistance program of PVTA.

This report is intended solely for the use of PVTA and its funding agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



La Verne, California
September 21, 2020

Patrick Karis

Certified Public Accountant

Board of Directors
Pomona Valley Transportation Authority
La Verne, California

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

In connection with our audit of the June 30, 2020 financial statements of the Pomona Valley Transportation Authority (PVTA) and with our study and evaluation of the Pomona Valley Transportation Authority's internal control systems used to administer federal and Budget Circular A-133, Audits of states, Local Governments, and Non-Profit Organizations, we selected certain transactions applicable to its nonmajor federal financial assistance program for the year ended June 30, 2020.

As required by OMB Circular A- 133, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objectives of which are the expression of an opinion on PVTA's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that PVTA, had not complied, in all material respects, with those requirements.

This report is intended solely for the use of PVTA's Board of Directors, management, and its regulatory agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is matter of public record



La Verne, California
September 21, 2020

Patrick Karis

Certified Public Accountant

The Board of Directors
Pomona Valley Transportation Authority
La Verne, California

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
THE GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL
ASSISTANCE PROGRAMS**

We have applied procedures to test Pomona Valley Transportation Authority's (PVTA) compliance with the following requirements applicable to each of its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended June 30, 2020;

Political Activity
Civil Rights
Drug Abuse Policy
Cash Management
Financial Reporting
Davis-Bacon Act

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on PVTA's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the first paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that PVTA, had not complied, in all material respects, with those requirements.

This report is intended for the information of the PVTA's Board of Directors, management and its funding agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, consisting of the letters 'R', 'P', and 'K' followed by a long horizontal stroke.

La Verne, California
September 21, 2020