



BOARD OF DIRECTORS SPECIAL MEETING AGENDA CALIFORNIA VANPOOL AUTHORITY (CVA)

A JOINT POWERS AGENCY

11050 13th Avenue, Hanford, Ca 93230
1(866) 655-5444

Meeting Date: Thursday, September 14, 2023

Meeting Time: 10:00 A.M. | In-person & Virtual Teleconference

Meeting Place: CalVans Conference Room, 1426 South Drive, Building B, Hanford, CA 93230

NOTE: This meeting will allow the public to participate in the meeting via Zoom using the following link:

Direct Link: <https://us06web.zoom.us/j/92158770933?pwd=SnlEWU94dUVRNVh4K1N5ZFhHYk9sdz09>

Meeting ID: **921 5877 0933**

Passcode: **3ifRYw**

One tap mobile: +14086380968,,92158770933#,,,,*898831# US (San Jose) & +16694449171,,92158770933#,,,,*898831# US

Dial in: +1 669 900 6833 US (San Jose) & +1 877 853 5257 US Toll-free

This Meeting may also be attended at the following locations:

- Association of Monterey Bay Area Governments, 147 Fourth Street, Community Room, Gonzales, CA 93936
- Association of Monterey Bay Area Governments, 200 Lincoln Avenue, Salinas, Ca 93901
- Fresno Council of Governments, Huron City Hall, Council Chambers, 36311 Lassen Avenue, Huron, CA 93234
- Fresno Council of Governments, 2035 Tulare St, Suite 201, Fresno, CA 93721
- Imperial County Transportation Commission, 1503 N. Imperial Ave., Suite 104, El Centro, CA 92243
- Imperial County Transportation Commission, 351 W. Main St. Westmorland, CA 92281
- Madera County Transportation Commission, Room 101, 2001 Howard Road, Madera, CA 93637
- Madera County Transportation Commission, 200 W. Fourth Street, Room 4006, Madera, Ca. 93637
- Merced County Association of Governments, 520 J Street, Los Banos, CA 93635
- Merced County Association of Governments, Conference Room, 369 West 18th Street, Merced, CA 95340
- San Joaquin Council of Governments, 555 E. Weber Avenue, Stockton, CA 95202
- Santa Barbara County Association of Governments, 100 E. Locust Avenue, Suite 101, Lompoc, CA 93436
- Santa Barbara County Association of Governments, 2900 BW Clearwater Drive, Suite 100-200, Bend, Oregon 97701
- Stanislaus Council of Governments, 2220 Magnolia St., Ceres, CA 95307
- Tulare County Association of Governments, Conference Room, 210 N Church St., Suite B, Visalia, CA 93291
- Tulare County Association of Governments, 291 N. Main St., Porterville, CA 93257
- Ventura County Transportation Commission, Solvang City Hall, 1644 Oak Street Solvang, Ca. 93463
- Ventura County Transportation Commission, 848 Danbury Ct, Ventura, CA 93004

2023 MEMBER AGENCIES AND BOARD OF DIRECTORS

Steve McShane, CVA Chair, Councilmember District 3, City of Salinas

Representing Association of Monterey Bay Area Governments

Robert Poythress, CVA Vice-Chair, Supervisor District 3, Madera County

Representing Madera County Transportation Commission

James Horn, Mayor, City of Coalinga

Representing Fresno Council of Governments

Ana Beltran, Council Member, City of Westmoreland

Representing Imperial County Transportation Commission

Paul Llanez, Mayor, City of Los Baños

Representing Merced County Association of Governments

Joey DeConinck, Councilmember, City of Blythe

Representing Riverside County Transportation Commission

Miguel Villapudua, Councilmember District 1, County of San Joaquin

Representing San Joaquin Council of Governments

Bob Nelson, Supervisor 4th District, Santa Barbara County

Representing Santa Barbara County Association of Governments

Javier Lopez, Mayor, City of Ceres,

Representing Stanislaus Council of Governments

Kellie Carrillo, Vice-Mayor, City of Porterville

Representing Tulare County Association of Governments

Jim White, Citizen Representative, City of Ventura

Representing Ventura County Transportation Commission

Prior to the meeting, participants should download the Zoom app at: <https://zoom.us/download>

- 1) Call-in instructions: enter meeting ID followed by #, enter # for participant ID, enter passcode followed by #.
- 2) When calling in via Zoom, please mute your computer/phone until the request for public comment is announced.
- 3) The full agenda packet, supplemental and presentation materials will be available for download at <https://calvans.org/agenda-items>

You may submit public comment via the following methods:

- 1) Submitting comments via Zoom:
 - Enter an email address and your full name.
 - If you do not wish to enter your name, enter another identifier, which will be used when it is your turn to speak.
 - Your identifier will be visible while you speak.
 - When the Chair calls on the item(s) for which you wish to speak, click “raise hand.”
 - You will be notified before you are called to speak.
 - Mute all other audio before speaking. Using multiple devices will cause audio feedback.
 - When called upon, please unmute yourself
 - Dial *6 if you are using your phone.
 - After comments have been given or 3 minutes expire, the microphone will be muted.
- 2) Submitting written comments prior to meeting:
 - Send an email to calvans@co.kings.ca.us and indicate “Public Comment” on the subject line.
 - Emailed comments received by 2:00 P.M. on the Tuesday before the meeting, will be provided to the Board in advance of the meeting and will be included as part of the permanent meeting record.
 - Comments received after that time will be provided to the Board following the meeting.
 - Please submit your comments prior to the meeting as far in advance as possible.

*Dates, times, and teleconference information are subject to change. Please contact CalVans for accurate meeting date, times and teleconference information or check online at <https://calvans.org/agenda-items> for updates.

AGENDA

1) CALL TO ORDER-

1-1. Roll Call.

2) NOTICE TO THE PUBLIC. PUBLIC COMMENT PERIOD - (Unscheduled appearances)

At this time, members of the public may comment on any item of interest to the public but not appearing on this agenda that is within the subject matter jurisdiction of the California Vanpool Authority. Under state law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public is invited to make comments when the item comes up for Board consideration. Any person addressing the Board will be limited to a maximum of two (2) minutes so that all interested parties have an opportunity to speak with a total of fifteen (15) minutes allotted for the Public Comment Period. Speakers are asked to state their name and address for the record.

3) CONSENT CALENDAR ITEMS-

All Consent Calendar Items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made to remove the item from the Consent Calendar. All items removed from the Consent Calendar for further discussion will be heard at the end of Information and Action Items in Section 5.

3-1. ACTION: Request approval of Draft August 10, 2023, CalVans Board Meeting Minutes (Attachment 1)

4) STAFF REPORT AND SYSTEM UPDATES-

4-1. Lobbyist Update and Request for Support: California Environmental & Energy Consulting (CalEEEC) (Attachment 2)

4-2. Agency Financials Update & Current Budget (Attachment 3)

4-3. Regional Updates and Fleet Activity (Attachment 4)

4-4. Marketing and Outreach Updates (Attachment 5)

5) OTHER BUSINESS/ INFORMATION/ ACTION ITEMS-

5-1. ACTION: Approval of Final Draft of Agency Audits for FY A. 19/20, B. 20/21 & C. 21/22 (Attachment 6)

5-2. ACTION: WEX/Chevron Business Card Program Description and Application (Attachment 7)

5-3. ACTION: Approval to Proceed with IntelliShift Contract (Attachment 8)

5-4. ACTION: Agency Short and Long-Term Goals (Attachment 9)

5-5. ACTION: Revised Mission & Vision and Contact List (Attachment 10)

5-6. ACTION: Approval of Revised 2023 Board Meeting Calendar (Attachment 11)

5-7. Informational Items: Executive Director, CalVans Staff or Board Members

5-8. Requests from Board Members for Future Agenda Items

6) **NEXT SCHEDULED MEETING-** The next scheduled California Vanpool Authority meeting will be Thursday, October 12, 2023, at 10:00 a.m.

7) ADJOURN

Attachments:

Attachment 01 3-1. Draft Minutes from August 10th, 2023

Attachment 02 4-1. Letter of Support- California Environmental & Energy Consulting (CalEEEC)

Attachment 03 4-2. Agency Financials Update (Trial Balance Summary) & Current Budget

Attachment 04 4-3. Regional Updates and Fleet Activity

Attachment 05 4-4. Marketing & Outreach Events: Wellness Fair, Model 1, Ford Pro and Media Release

Attachment 06 5-1. Final Audits A. 19/20 B. 20/21 C. 21/22

Attachment 07 5-2. WEX/Chevron Business Card Program Description and Application

Attachment 08 5-3. IntelliShift Services Contract Extension

Attachment 09 5-4. Agency Short and Long-Term Goals

Attachment 10 5-5. Revised Mission & Vision and Contact List

Attachment 11 5-6. Revised 2023 BOD Meeting Calendar

3. Consent Agenda

3-1. Approval of Draft August 10th, 2023, CalVans Board meeting Minutes (Attachment 1)

CONSENT

Staff is submitting draft minutes from the August 10th, 2023 CalVans Board Meeting, for approval.

4. Staff Report and System Updates

4-1. Lobbyist Update California Environmental & Energy Consulting (CalEEC) (Attachment 2)

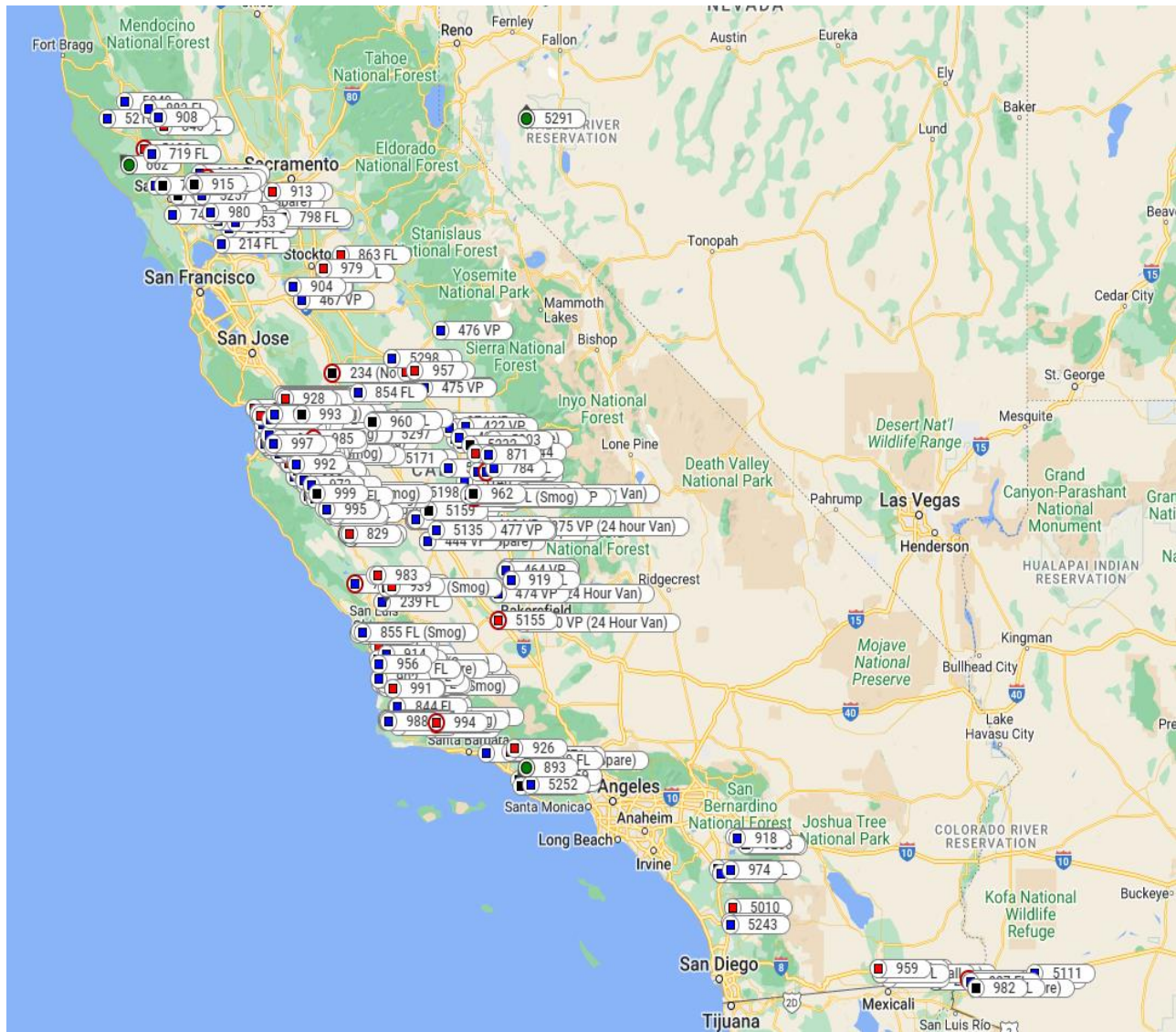
Presentation by CalEEC staff, including the End of the Legislative Session, Senate Leadership Changes and where we're at on Bond and Bills.

4-2. Agency Financials Update and Year to Date Budget (Attachment 3)

Staff is submitting agency financial for review for the period ending August 31st, 2023. Accounting staff is available for any questions regarding agency standings. Additionally, staff is including the status of our current budget.

4-3. Regional Updates and Fleet Activity (Attachment 4)

Staff is submitting a snapshot for the fleet. The Transit Coordinator for each region is available to provide a brief update for their area of responsibility.





Staff would also like to present an end of fiscal year review based on the areas served in FY 22/23, along with their county.

California			
	County Van Started		City Van Started
	ALAMEDA	1	Castro Valley
1	ALAMEDA	2	Dublin
	ALAMEDA	3	Emeryville
	ALAMEDA	4	Oakland
	ALAMEDA	5	San Leandro
	ALPINE	6	Markleeville
2	AMADOR	7	Pine Grove
3	AMADOR	8	Sutter Creek
	CALAVERAS	9	Valley Springs
4	CONTRA COSTA	10	Antioch
5	CONTRA COSTA	11	Brentwood
	CONTRA COSTA	12	Concord
	CONTRA COSTA	13	Martinez
	CONTRA COSTA	14	Oakley
	CONTRA COSTA	15	Pittsburg
	CONTRA COSTA	16	Pleasant Hill
	CONTRA COSTA	17	San Pablo
	EL DORADO	18	Clarksburg
6	EL DORADO	19	Somerset
	FRESNO	20	Biola
7	FRESNO	21	Cantua Creek
	FRESNO	22	Caruthers
	FRESNO	23	Clovis
	FRESNO	24	Coalinga
	FRESNO	25	Del Rey
	FRESNO	26	Firebaugh
	FRESNO	27	Five Points
	FRESNO	28	Fowler
	FRESNO	29	Fresno
	FRESNO	30	Friant
	FRESNO	31	Helm
	FRESNO	32	Huron
	FRESNO	33	Kerman
	FRESNO	34	Kingsburg
	FRESNO	35	Mendota
	FRESNO	36	Orange Cove
	FRESNO	37	Parlier
	FRESNO	38	Reedley
	FRESNO	39	Riverdale
	FRESNO	40	Sanger
	FRESNO	41	Selma
	FRESNO	42	Tranquility
	IMPERIAL	43	Calexico
8	IMPERIAL	44	Calipatria
	IMPERIAL	45	El Centro
	IMPERIAL	46	Heber
	IMPERIAL	47	Holtville
	IMPERIAL	48	Niland
	IMPERIAL	49	Ocotillo
	IMPERIAL	50	Salton City
	IMPERIAL	51	Seeley
	IMPERIAL	52	Westmorland
	IMPERIAL	53	Winterhaven
	INYO	54	Bishop
9	INYO	55	Independence
	INYO	56	Lone Pine
	INYO	57	Olancho
	KERN	58	Arvin
10	KERN	59	Bakersfield

	KERN	60	Boron
	KERN	61	Buttonwillow
	KERN	62	Delano
	KERN	63	Frazier Park
	KERN	64	Inyokern
	KERN	65	Johannesburg
	KERN	66	Lamont
	KERN	67	Lebec
	KERN	68	Lost Hills
	KERN	69	McFarland
	KERN	70	Rosamond
	KERN	71	Shafter
	KERN	72	Tehachapi
	KERN	73	Wasco
	KINGS	74	Armona
11	KINGS	75	Avenal
	KINGS	76	Corcoran
	KINGS	77	Hanford
	KINGS	78	Kettleman City
	KINGS	79	Laton
	KINGS	80	Lemoore
	KINGS	81	Stratford
	LAKE	82	Clearlake
12	LAKE	83	Kelseyville
	LAKE	84	Lakeport
	LAKE	85	Lower Lake
	LAKE	86	Middletown
	LAKE	87	Upper Lake
	LOS ANGELES	88	Agoura Hills
13	LOS ANGELES	89	Arcadia
	LOS ANGELES	90	Azusa
	LOS ANGELES	91	Baldwin Park
	LOS ANGELES	92	Castaic
	LOS ANGELES	93	Encino
	LOS ANGELES	94	Glendale
	LOS ANGELES	95	Glendora
	LOS ANGELES	96	Irwindale
	LOS ANGELES	97	La Verne
	LOS ANGELES	98	Lancaster
	LOS ANGELES	99	Los Angeles
	LOS ANGELES	100	Monrovia
	LOS ANGELES	101	Palmdale
	LOS ANGELES	102	Pasadena
	LOS ANGELES	103	Pearblossom
	LOS ANGELES	104	Pomona
	LOS ANGELES	105	Stevenson Ranch
	LOS ANGELES	106	Sun Valley
	LOS ANGELES	107	Sylmar
	LOS ANGELES	108	Tarzana
	LOS ANGELES	109	Valencia
	MADERA	110	Bass Lake
14	MADERA	111	Chowchilla
	MADERA	112	Madera
	MADERA	113	Oakhurst
	MARIN	114	Nicasio
15	MARIN	115	Novato
	MARIN	116	San Rafael
	MARIPOSA	117	Catheys Valley
16	MARIPOSA	118	Mariposa
	MARIPOSA	119	Midpines

RETURN TO AGENDA



	MENDOCINO	120	Boonville
17	MENDOCINO	121	Hopland
	MENDOCINO	122	Philo
	MENDOCINO	123	Ukiah
	MERCED	124	Atwater
18	MERCED	125	Dos Palos
	MERCED	126	El Nido
	MERCED	127	Gustine
	MERCED	128	Le Grand
	MERCED	129	Livingston
	MERCED	130	Los Banos
	MERCED	131	Merced
	MERCED	132	Planada
	MONO	133	Coleville
19	MONO	134	Topaz
	MONTEREY	135	Bradley
20	MONTEREY	136	Castroville
	MONTEREY	137	Chualar
	MONTEREY	138	Gonzales
	MONTEREY	139	Greenfield
	MONTEREY	140	King City
	MONTEREY	141	Marina
	MONTEREY	142	Monterey
	MONTEREY	143	Moss Landing
	MONTEREY	144	Salinas
	MONTEREY	145	San Ardo
	MONTEREY	146	San Lucas
	MONTEREY	147	Seaside
	MONTEREY	148	Soledad
	NAPA	149	American Canyon
21	NAPA	150	Angwin
	NAPA	151	Calistoga
	NAPA	152	Deer Park
	NAPA	153	Napa
	NAPA	154	Oakville
	NAPA	155	Pope Valley
	NAPA	156	Rutherford
	NAPA	157	St Helena
	NAPA	158	Yountville
	ORANGE	159	Fulton
22	ORANGE	160	Irvine
	ORANGE	161	Ladera Ranch
	ORANGE	162	Laguna Hills
	ORANGE	163	San Clemente
	ORANGE	164	San Juan Capistrano
	ORANGE	165	Santa Ana
	RIVERSIDE	166	Aguanga
23	RIVERSIDE	167	Anza
	RIVERSIDE	168	Banning
	RIVERSIDE	169	Beaumont
	RIVERSIDE	170	Cabazon
	RIVERSIDE	171	Calimesa
	RIVERSIDE	172	Coachella
	RIVERSIDE	173	Hemet
	RIVERSIDE	174	Indio
	RIVERSIDE	175	La Quinta
	RIVERSIDE	176	Lake Elsinore
	RIVERSIDE	177	Mecca
	RIVERSIDE	178	Menifee
	RIVERSIDE	179	Moreno Valley
	RIVERSIDE	180	Mountain Center
	RIVERSIDE	181	Murrieta
	RIVERSIDE	182	North Palm Springs

	RIVERSIDE	183	Nuevo
	RIVERSIDE	184	Palm Desert
	RIVERSIDE	185	Perris
	RIVERSIDE	186	Rancho Mirage
	RIVERSIDE	187	Riverside
	RIVERSIDE	188	San Jacinto
	RIVERSIDE	189	Temecula
	RIVERSIDE	190	Thermal
	RIVERSIDE	191	Thousand Palms
	RIVERSIDE	192	White Water
	RIVERSIDE	193	Wildomar
	RIVERSIDE	194	Winchester
	SACRAMENTO	195	Courtland
24	SACRAMENTO	196	Elk Grove
	SACRAMENTO	197	Fair Oaks
	SACRAMENTO	198	Galt
	SACRAMENTO	199	Sacramento
	SACRAMENTO	200	Walnut Grove
	SAN BENITO	201	Aromas
25	SAN BENITO	202	Hollister
	SAN BENITO	203	Paicines
	SAN BENITO	204	San Juan Bautista
	SAN BENITO	205	Tres Pinos
	SAN BERNADINO	206	Adelanto
26	SAN BERNADINO	207	Barstow
	SAN BERNADINO	208	Chino
	SAN BERNADINO	209	Essex
	SAN BERNADINO	210	Fontana
	SAN BERNADINO	211	Highland
	SAN BERNADINO	212	Needles
	SAN BERNADINO	213	Ontario
	SAN BERNADINO	214	Phelan
	SAN BERNADINO	215	Pinon Hills
	SAN BERNADINO	216	Redlands
	SAN BERNADINO	217	Rialto
	SAN BERNADINO	218	San Bernardino
	SAN BERNADINO	219	Victorville
	SAN BERNADINO	220	Yucaipa
	SAN DIEGO	221	Alpine
27	SAN DIEGO	222	Bonsall
	SAN DIEGO	223	Borrego Springs
	SAN DIEGO	224	Boulevard
	SAN DIEGO	225	Camp Pendleton Marine Corps Base
	SAN DIEGO	226	Campo
	SAN DIEGO	227	Chula Vista
	SAN DIEGO	228	El Cajon
	SAN DIEGO	229	Escondido
	SAN DIEGO	230	Fallbrook
	SAN DIEGO	231	Jacumba
	SAN DIEGO	232	Oceanside
	SAN DIEGO	233	Pala
	SAN DIEGO	234	Pauma Valley
	SAN DIEGO	235	Pine Valley
	SAN DIEGO	236	San Diego
	SAN DIEGO	237	San Marcos
	SAN DIEGO	238	San Ysidro
	SAN DIEGO	239	Santee
	SAN DIEGO	240	Valley Center
	SAN DIEGO	241	Vista
	SAN DIEGO	242	Warner Springs
	SAN FRANCISCO	243	San Francisco
28	SAN JOAQUIN	244	Farmington
29	SAN JOAQUIN	245	French Camp

RETURN TO AGENDA



	SAN JOAQUIN	246	Lathrop
	SAN JOAQUIN	247	Linden
	SAN JOAQUIN	248	Lockeford
	SAN JOAQUIN	249	Lodi
	SAN JOAQUIN	250	Manteca
	SAN JOAQUIN	251	San Joaquin
	SAN JOAQUIN	252	Stockton
	SAN JOAQUIN	253	Thornton
	SAN JOAQUIN	254	Tracy
	SAN LUIS OBISPO	255	Arroyo Grande
30	SAN LUIS OBISPO	256	Atascadero
	SAN LUIS OBISPO	257	Avila Beach
	SAN LUIS OBISPO	258	Creston
	SAN LUIS OBISPO	259	Grover Beach
	SAN LUIS OBISPO	260	Los Osos
	SAN LUIS OBISPO	261	Nipomo
	SAN LUIS OBISPO	262	Oceano
	SAN LUIS OBISPO	263	Paso Robles
	SAN LUIS OBISPO	264	Pismo Beach
	SAN LUIS OBISPO	265	San Luis Obispo
	SAN LUIS OBISPO	266	San Miguel
	SAN LUIS OBISPO	267	Shandon
	SAN LUIS OBISPO	268	Templeton
	SAN MATEO	269	Brisbane
31	SAN MATEO	270	Daly City
	SAN MATEO	271	Millbrae
	SAN MATEO	272	San Mateo
	SANTA BARBARA	273	Buellton
32	SANTA BARBARA	274	Carpinteria
	SANTA BARBARA	275	Casmalia
	SANTA BARBARA	276	Goleta
	SANTA BARBARA	277	Guadalupe
	SANTA BARBARA	278	Lompoc
	SANTA BARBARA	279	Los Alamos
	SANTA BARBARA	280	Los Olivos
	SANTA BARBARA	281	Santa Barbara
	SANTA BARBARA	282	Santa Maria
	SANTA BARBARA	283	Santa Ynez
	SANTA BARBARA	284	Solvang
	SANTA CLARA	285	Gilroy
33	SANTA CLARA	286	Morgan Hill
	SANTA CLARA	287	San Jose
	SANTA CLARA	288	San Martin
	SANTA CRUZ	289	Aptos
34	SANTA CRUZ	290	Freedom
	SANTA CRUZ	291	Santa Cruz
	SANTA CRUZ	292	Watsonville
	SOLANO	293	Benicia
35	SOLANO	294	Fairfield
	SOLANO	295	Forestville
	SOLANO	296	Rio Vista
	SOLANO	297	Suisun City
	SOLANO	298	Vacaville
	SOLANO	299	Vallejo
	SONOMA	300	Annapolis
36	SONOMA	301	Cazadero

	SONOMA	302	Cloverdale
	SONOMA	303	Cotati
	SONOMA	304	Geyserville
	SONOMA	305	Glen Ellen
	SONOMA	306	Guerneville
	SONOMA	307	Healdsburg
	SONOMA	308	Jenner
	SONOMA	309	Kenwood
	SONOMA	310	Penngrove
	SONOMA	311	Petaluma
	SONOMA	312	Rohnert Park
	SONOMA	313	Santa Rosa
	SONOMA	314	Sebastopol
	SONOMA	315	Sonoma
	SONOMA	316	Windsor
	STANISLAUS	317	Crows Landing
37	STANISLAUS	318	Empire
	STANISLAUS	319	Modesto
	STANISLAUS	320	Newman
	STANISLAUS	321	Oakdale
	STANISLAUS	322	Patterson
	STANISLAUS	323	Westley
	TOULUMNE	324	Mi-Wuk Village
38	TULARE	325	Cutler
39	TULARE	326	Dinuba
	TULARE	327	Ducor
	TULARE	328	Earlimart
	TULARE	329	Exeter
	TULARE	330	Farmersville
	TULARE	331	Ivanhoe
	TULARE	332	Lindsay
	TULARE	333	Orosi
	TULARE	334	Pixley
	TULARE	335	Porterville
	TULARE	336	Strathmore
	TULARE	337	Sultana
	TULARE	338	Terra Bella
	TULARE	339	Tipton
	TULARE	340	Traver
	TULARE	341	Tulare
	TULARE	342	Visalia
	TULARE	343	Woodlake
	VENTURA	344	Camarillo
40	VENTURA	345	Fillmore
	VENTURA	346	Moorpark
	VENTURA	347	Oak View
	VENTURA	348	Ojai
	VENTURA	349	Oxnard
	VENTURA	350	Piru
	VENTURA	351	Port Hueneme
	VENTURA	352	Santa Paula
	VENTURA	353	Somis
	VENTURA	354	Thousand Oaks
	VENTURA	355	Ventura
	YOLO	356	Davis
41	YOLO	357	West Sacramento

Other Surrounding States/ Temporary/Seasonal			
1	MARICOPA, AZ		Phoenix, Arizona
2	YUMA, AZ		Roll, Arizona
	YUMA, AZ		San Luis, Arizona
	YUMA, AZ		Somerton, Arizona
	YUMA, AZ		Tacna, Arizona

	YUMA, AZ		Wellton, Arizona
	YUMA, AZ		Yuma, Arizona
1	DOUGLAS, NV		Gardnerville, Nevada
2	CLARK, NV		Las Vegas, Nevada
3	LYON, NV		Yerington, Nevada

RETURN TO AGENDA

4-4. Marketing and Outreach Updates (Attachment 5)

Staff has collaborated with various organizations to develop the marketing events for the arrival of the new EV's at each of the housing facilities.

Additionally, Model 1 and Ford have collaborated to release a media event regarding the 403 eTransits we have worked to secure.

There are several end of season events occurring around the Central Valley, Napa and Monterey County. Staff will attend events to promote the program and continue to push the EV mindset with the employers of those regions.

5. Other Business/ Informational / Action Items

5-1. ACTION: ACTION: Approval of Final Agency Audits for FY 19/20, 20/21, and 21/22 (Attachment 6)

CONSENT

Price Paige and Company along with CPA, Jaribu Nelson, have been invited to discuss and/or answer any questions regarding the now completed FY 19/20, 20/21 and 21/22 Audits. The team is currently completing the 22/23 budget as well.

Staff is requesting approval of Agency Audits for FY 19/20, 20/21, and 21/22.

5-2. ACTION: WEX/Chevron Business Card Program Description and Application (Attachment 7)

CONSENT

Staff has analyzed the fleet usage for major vendors and has determined that over 47% of the fuel usage is at Chevron gas stations across the state. With this data in mind, staff worked with Chevron corporate to determine the feasibility of securing a reduction in rate from the various franchises across the state and Arizona.

Staff is requesting approval to complete the fleet application.

5-3. ACTION: IntelliShift Services Contract Extension (Attachment 8)

CONSENT

Staff worked with IntelliShift to secure additional telematics hardware for the incoming vehicles. With the previous 4-year contract ending in December 2023, staff negotiated discounts with IntelliShift to secure the full suite of software, including working with ESRI to develop the UACE reporting to provide additional tracking on behalf of member agencies. Staff has researched additional systems including major providers like GeoTab and Tangerine along with other systems that provide more custom reporting. As staff has a history and has already developed a working system that with recent internal changes, has resulted in a more effective and efficient reporting structure. The other systems did not provide and ignition lock or driver log in requirements without incurring additional hardware for their proprietary system.

Staff is requesting the move forward with our current telematics provider for an additional four years.

5-4. ACTION: Agency Short & Long-Term Goals (Attachment 09)

CONSENT

Staff has put together the results from the August 10th agency Board meeting and a summary of the retreat. The summary along with the revised Mission and Vision statements are also included. The short-term goals are currently set to complete within two-years, which staff feels confident is a deliverable. The long-term goals are set at three plus years. Staff will provide updates at future meetings as goals are accomplished and were created using the information provided in the order of important on attachment 9.

Staff is requesting approval of the revised mission, vision along with short and long-term goals.

5-5. Revised Mission & Vision and Contact List (Attachment 10)

With the approval of the mission and vision statement, staff has revised the previous agency contact information and has included the attached contact list.

5-6. ACTION: Revised 2023 Board of Director's Meeting Calendar (Attachment 11)

CONSENT

Staff has revised the meeting calendar due to an error of when the future meeting occur. One of the agency goals for FY 23/24 (17) is to "Create CalVans yearly calendar include dates for Board meetings and special events as well as housekeeping dates such as distribution of Board packets, reports, audits, etc." which staff will present at a later meeting as timelines for the requested items are determined.

Staff is requesting approval to accept the minor changes to the current Board of Director's meeting calendar.

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MEETING MINUTES

A regular meeting of the California Vanpool Authority was called to order by Chairman Steve McShane at 10:01 A.M. on Thursday, August 10, 2023. The meeting was held at member agency's locations found in original agenda.

California Vanpool Authority Member Agencies

AMBAG – Association of Monterey Bay Area Governments
 Fresno COG – Fresno Council of Governments
 ICTC – Imperial County Transportation Commission
 KCAG – Kings County Association of Governments
 MCAG – Merced County Association of Governments
 MCTC – Madera County Transportation Commission

RCTC – Riverside County Transportation Commission
 SBCAG – Santa Barbara County Association of Governments
 SJCOG – San Joaquin Council of Governments
 StanCOG – Stanislaus Council of Governments
 TCAG – Tulare County Association of Governments
 VCTC – Ventura County Transportation Commission

1. Call to Order

Roll Call – Clerk of the Board

Area of Representation	Primary Directors and Alternates (A)		Joined Meeting after Roll Call
	Present	Absent	
AMBAG	Steve McShane	Scott Funk (A)	
MCTC	Jose Rodriguez (A)	Robert Poythress	
Fresno COG		James Horn, Brandon Pursell (A)	
ICTC	Ana Beltrán	Maria Nava-Froelich (A)	Ana Beltrán
MCAG	Pat Nagy (A)	Paul Llenez	
RCTC		Joseph DeConinck	
SBCAG	Bob Nelson	Ariston Julian(A)	
SJCOG		Vacant, Vacant (A)	
StanCOG	Buck Condit (A)	Javier Lopez	
TCAG	Kellie Carrillo, Liz Wynn (A)		
VCTC		James White, Mike Johnson (A)	

Counsel present: David Kahn.

Staff/Visitors in attendance: Georgina Landecho, Gabriela Pacheco, Tomas Hernandez, Carmen Mora, Teresa Rodriguez, Monica Sarzi, Amanda Ruch, Magdalena Atilano, Leigh Brown, Xavier Garcia, Mauricio Torres, Dolores López.

Consultants: Erika Romero – EEC, Eileen Goodwin – Apex Strategies, JP Holeman and Jordan Koelewyn – Pacific Ag Insurance.

2. Unscheduled Appearances: None

3. Consent Calendar

3- Approval of minutes from July 13, 2023, BOD Meeting.

Motion Made By:		Condit		
2 nd Motion By:		Nagy		
Motion (Pass/Fail):		Pass		
<i>Primary</i>	<i>Alternate</i>	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>
Steve McShane		X		
	Jose Rodriguez	X		
Ana Beltrán		X		
	Pat Nagy	X		
Bob Nelson		X		
	Buck Condit	X		
Kellie Carillo	Liz Wynn	X		

4) STAFF REPORT AND SYSTEM UPDATES-

4-1. Agency Financials Update (Attachment 2). Chair McShane: It might help in the future to just also include the budget, so we can see if we are right on, or from what I can recall where we're sitting a little better than what I remember it. Okay, any questions members present, Director's okay, go to the folks on Zoom and then to the public. No questions or comments from the public.

4-2. Regional Updates and Fleet Activity (Attachment 3)

Staff and Transit Coordinators provided a brief overview of asset locations at the time of the preparation of agenda also broken down by region, county and program. Tomas Hernandez: Santa Barbara Co. doing very well, Ventura Co. we are in process of putting out our EV fleet. Santa Barbara Housing Authority getting together with them in the next few months to assist with the van delivery. It looks like the season is a little bit off right now. We are about 2 months out it was early. Usually, we do not finish up until September, we finished up in this month, however, we expect everything to be back in October, strawberry season. Gabriela Pacheco: Currently up and running we have a few more vans up in the northern region then we usually have so we have more vans in Stockton Sacramento in that area. We are also getting ready for those donated vans, getting the labels and our equipment together. Also getting ready for a few outreaches. Jean Foletta: I know that CalVans is attached to some of the affordable housing projects. There is going to be another affordable housing project in Modesto, and I was just wondering if CalVans is attached to that? Georgina: No, we are not. Carmen Mora- Good morning, everybody. I have oversight over Imperial and Yuma. We are preparing ourselves for the start of the season when Monterey county vans transfer to Imperial. A few vans have been given out for irrigation. Teresa Rodriguez -Hello! I have been given oversight over Monterey County and I just want to say that this position has really opened my eyes to the service that we provide. This is the first position I have held at CalVans, where I've had direct contact with our end user and the ag community. Being in contact provides a real understanding about how much our program impacts the community. I'm getting settled in this Salinas Valley area, and it is such a beautiful area, the murals, the people and the culture. I love representing that area and really look forward to growing my own legs in the county. We have, within Monterey County, Santa Cruz and San Benito over 290 vans operating right now. I appreciate the opportunity. Thank you.

4-3. Marketing and Outreach Updates (Attachment 4)

Georgina: We have a requirement to procure 15 and 8 passenger electric vehicles for the various AHSC projects. To comply with the GHG and VMT requirement, and due to limited range (based on weight) from carrying passengers, the vans acquired for the projects will be for 13 and 10 passenger vans. We have collaborated with an additional 3 AHSC projects and for 132 EV's vans and should know by next week whether we where successful with this project. Director Nelson: Good acquisitions. Are these allocated to specific projects? Geogina: Yes, however, a lot of these are non ag vans. Therefore, we will pair, in an attempt to balance the EV's and the ICE (Internal Combustion Engine) to see what works best. The four that were scheduled for EV conversion (our Mercedes Benz Sprinters) to use as our model for ag, are still not ready. We found another vendor, Model 1 and Fords recently. There is a lot more room to add the equipment that we normally add to agricultural vehicles, however, with the current range of 113, and until we have access to the Tesla charging infrastructure, which Ford is currently in development with Tesla to create an adapter to charge the vehicles to at least 80% in a ½ hour, this is our current plan. Director Nelson: I'm just concerned about the business model. If they aren't as operational as we think they are, how are we going to be going to make that right, if there are performance issues. Georgina: These vans are ready, and these are a Ford product directly from the manufacturer. No other entity will test them like we will, in ag. Some of the AHSC projects already have the infrastructure built into them so when they get home, they can plug them in to charge overnight, as long as they don't travel more than 55 miles one-way daily. Our average is 36-40 miles one-way. Director Nelson: I have a hybrid. There are always problems with the charging stations and with equipment. Obviously if they were granted to us, so I'm curious moving forward. What is our break even point? Georgina: We are in about \$50,000 per unit because we allocated \$43,000 which is the price of a cargo van. However, all these vehicles have been converted to passenger vehicles and although our price tag for the most recent AHSC project was \$137,000 per unit, we found Model 1 will give us a 2023 model for \$100,000 already converted. Still, a couple years ago, when we calculated the AHSC van capital budget, we did not realize the cost impact from COVID. The price of the vehicles is far more expensive. Director Nelson: But that's the way that we make the money, right? It's charging by the miles, so if the chargers are broken, vans that are stranded, will be on us. Georgina: Yes, unfortunately, right now we are experiencing high maintenance costs. We will be saving one to three million on maintenance costs alone by acquiring new vans. The travel in some locations like the fifty EV's going to Santa Barbara it an ideal place to test these vans. Director Nelson: Good weather year-round, I see some positives there. Chair McShane: I see one challenge. Will moving vehicles from southern California to northern California be problematic? I've had an EV for 4 years, using 2 different models, a Nissan and a Tesla, and the equipment and the infrastructure is there. So I'll feel fully confident that it's fine. It's just the miles that I'm worried about. Though Santa Barbara County is a great spot, because it's not a lot of distance to get where they need to go and back. It's just that we need to move them, and you know we have to trust that Staff is aware of that concern, that, as I believe you know, certain units stay in one area and not necessarily move or having to be trucked, or you know charged. Georgina: A lot of them are now, which is something Monterey County employers do, because they do not want to let vans go due to the shortages in the last couple of years. Chair McShane: That's right and then we can follow up when we go around with further questions in this area. It's on the employer if they have the unit and do not want to let it go to get it from point A to point B. Georgina: For AHSC projects, in Imperial County, those projects will be in Brawley, Imperial and El Centro and go as far as the Salton Sea and Thermal daily. We're going to have to look at the ranges to see how far then intend to go prior to issuance of EV's. Chair McShane: Questions, feedback, thoughts? Director Rodriguez: I did have a question. Now, today, we have fuel cards assigned to folks that take the vans home, correct? So, what is the deal, will they get a reimbursement, when you take these home? Georgina: No. Director Rodriguez: What if they have no electrification now? Georgina: Our Comdata card will allow a charge as long as you put in your correct information. Director Rodriguez: I'm sorry you were saying they charge their vehicle at home? I was wondering how? Georgina: All charging systems at the facility, the EV unit, if you will, have the option to do that now. But if not charging at the project, volunteer drivers can simply plug in at home using the provided adapter. We do not want them to be stranded and they may do a fast charge at any operable charging and leave the van charging overnight, at the facility. Our vans have always been like an Uber picking up/dropping off workers at home and/or if they're crossing the border daily in the south, shuttling as a group back and forth is common going to the worksite. But travel will be considered when assigning vans. Director Rodriguez: So, maybe I misunderstood, so the person who is the qualified driver takes that van home? Georgina: Very often. Yes, but these EV's are coming specifically from a ag worker housing project. Director Rodriguez: So, they would not be charging it at a home, because then a reimbursement would have to take place somehow with the energy cost. Georgina: It would be a bit of a nightmare to install charging systems, but it is not impossible. It would be roughly \$495 to electrify at their homesite if their home is newer. Chair McShane: My EV app tells me what the cost is when I charge. It's all trackable. Georgina: If drivers wanted reimbursement, we would arrange this, but if not, the system can bill us because the cost

of charging/fuel is all part of the cost with the ag vans. The general vanpools pay all their costs. Chair McShane: Will the housing pay for the charges? Georgina: We are working on that subject now in Ventura. Tomas Hernandez: We're working with the City of Buenaventura, the city infrastructure, this is all about ag facilities getting behind the infrastructure bills that will allow us to put chargers in the field, because that's going to be the secondary site for charging vehicles since vanpool groups are there about 6-8 hours a day. So, we can get at least half a full charge in. Those points are currently on the bills on the floor and say that the farms/facilities cannot create electricity outside of a utility. So, that's why today is so important lobbying for those initiatives and bills to be put on agricultural sites. Charging points where vehicles can charge to half a full charge, if needed. Georgina: We currently do not decide where people fill up at a gas station. We are working exclusively with Chevron as they are offering the agency major discounts, because after studying the data, 43% of our fleet users like Chevron. Director Rodriguez: I just want to make a comment that I think that if we're trying to highlight a point this is a great opportunity to show how were collaborating with the housing authorities and how we're removing vehicle miles travelled that essentially remove emissions. We are producing a product. And I hate to say a product with service that meets the future requirements, that the State is wants us to abide by. So, I think just having those partnerships not only with the Ag. Industry, but also with the housing authorities and or communities that are willing to see the benefit that, hey, you are taking away additional cost you can tie in healthcare. You can tie in different things to this, right, lie air quality improvement and what have you? And this is a great way to be able to express that. So, I think it's a good thing for that purpose. Director Nelson: One last question, have we tried to trim the rate for AG vs VP? Georgina: Yes, along with accounting staff, we have calculated that the overall cost to run a vanpool will be less for ag, hence the profit revenue by acquiring the new units. Chair McShane: It's worth flagging, Mr. Kahn, just because he's our legal eagle, as a State agency or a JPA, can't make profit, so to speak and so we'll just have to really monitor that if the housing project is subsidizing costs and charging no more per mile, this could get interesting if there is little to no cost. Director Nelson – I think this is a premium that we have. So, thank you. Director Nagy: Are you factoring in any battery replacement? I mean because I've heard those are quite costly. So that would have to be factored into that cost per mile. Georgina: Only for the most recent three projects, as those are 10-year projects. The remainder are four years and once the project reporting is over, the obligation has been met. We went to inspect the van interiors and equipment; they are well built. Rodriguez: Can we take a tour, maybe across the state? Chair McShane - Yeah. I think once we once we've deployed. A note for staff, I think that once we are deployed, we should get a few commissioners and share in their areas. Thanks for taking the time to explain. That that was really helpful, and I think we'll continue to dive in. Anything else? Georgina: Yes. The handout. We did a trifold and kept it simple. We are over one billion miles in vehicle miles removed since we began tracking in 2014. So honestly that figure is probably. No questions or comments from the public.

4-4. Lobbyist Update and Request for Support: California Environmental & Energy Consulting (CalEEC) (Attachment 5)

None. Per Erika Romero, EEC Associate, the Lobbyist Update will be presented at 11:00 A.M., after the meeting. No public questions or comments.

5) OTHER BUSINESS/ INFORMATION/ ACTION ITEMS-

~~5-1. ACTION: Approval of 2023 Employee Handbook (Attachment 6) Stricken from the agenda. Information to be provided at a later date.~~

~~5-2. ACTION: Review of Final Agency Audits for FY 19/20, 20/21 & 21/22 (Attachment 7)~~

Stricken from the agenda. Information to be provided at a later date. Georgina: We received the final drafts for the last 3 audits, from Price, Page LLC, just today. We did not have time to review. Chair McShane: We'll dive into it with the Executive Committee Board and then we'll have staff analysis, and we'll vote on them next meeting. Thank you for that. No questions or comments from the public.

5-3. ACTION: Review of EV Purchase and Costs (Attachment 8)

Georgina: For each of the conversion costs we provided a detailed list of the acquisition costs along with the conversion of vehicles. We also assisted TCRTA (Tulare County Regional Transportation Agency) to secure their ADA EV units. TCRTA was looking to pay close to \$105,000, however, we brought the price down to \$90,000 before taxes, on their behalf. We've never calculated the value of the AHSC vehicles acquisition, but its current value is about twenty million. These AHSC budgets were made Pre-COVID, and we were very, very much under budgeted. We are coming in at about twenty-five, almost twenty-six million. We talked to a couple of the project, and as a team we went back to the state to see if there was any discretionary funding to help, but it could not be done. We have had seen a lot of turnover with former projects and agency staff. Unfortunately, we're having to explain the AHSC program to explain the reimbursement process and the urgency for some. The remaining balance after everything is allocated, and with approximately 6% interest financing using NCL, we're looking to spread out the payments over 10 years, with about a \$219,000 monthly payment. That number is something we're used to, since we've had to finance previously. With that in mind, we recalculated and are presenting a revised budget considering all of this data for FY 23/24. With the potential income being higher and reduction of maintenance costs and fuel, the new budget is good. During our move we realized, because we ended up going to smaller facility, that we don't need half of what we already had. We'd be putting these items up for public auction and selling approximately 108, 15-passenger vehicles. We're looking like we're in about eight million in revenue, which can go to the rainy-day fund reserves or to pay off our loans faster. Chair McShane: I want to make sure we're mindful of time. We have 15 minutes left. I appreciate that there may be some questions, some fine tuning here, but there's obviously a benefit to an electric vehicle. This is a big jump for the agency, and it is something that you know me, and the vice chair spoke to Georgina about. I just want to be sure things are agendized correctly. So, I guess what you're saying, Georgina, is that item 5.3 by approving the purchase, impacts the budget. Okay, so I'll just open it up for questions. Much of what is before us is we're set and required under AHSC, right? Affordable Housing Sustainable Communities. Okay? So, let's open it up for any questions feedback of this time, we'll start here in the conference room. Director Rodriguez: I have a question. So, I think you answered, but just want to clarify that the variances that we see here, from the expenditures of eight million dollars down to your revenues, is due to the purchasing of these new vehicles and added revenues as well. When did we first do the projected budget for 23-24? Georgina: In April and May. Director Rodriguez: And at that time, we didn't know the amount of funding that we would be allocated for these purchases. Right? Okay? And that's where the big discrepancy

lies. Okay, good. Thank you. Director Nelson: So, a lot of our vans are being run by the apartment complexes? How will this all work? Georgina: We market them first to the resident of the AHSC project. If we don't have any takers, then they would go to the outlying community and then are available to the county. We have found that with many of these projects we encounter folks who are permanently disabled and/or often unemployable. We want to make sure that there's a workforce at these complexes and we work with the new project to intentionally include ag workers. Folks that would be able to use the vehicles for work purposes. Chair McShane: Thank you for that. No questions or comments from the public.

Motion Made By:		Wynn		
2 nd Motion By:		Nagy		
Motion (Pass/Fail):		Pass		
<i>Primary</i>	<i>Alternate</i>	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>
Steve McShane		X		
	Jose Rodriguez	X		
Ana Beltrán		X		
	Pat Nagy	X		
Bob Nelson			X	
	Buck Condit	X		
Kellie Carillo	Liz Wynn	X		

5-4. ACTION: Review and Approval of Revised 23/24 Budget (Attachment 9). No questions or comments from the public.

Motion Made By:		Nelson		
2 nd Motion By:		Condit		
Motion (Pass/Fail):		Pass		
<i>Primary</i>	<i>Alternate</i>	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>
Steve McShane		X		
	Jose Rodriguez	X		
Ana Beltrán		X		
	Pat Nagy	X		
Bob Nelson			X	
	Buck Condit	X		
Kellie Carillo	Liz Wynn	X		

5-5. ACTION: Review of DOJ State and Federal Resolution for CalVans (Attachment 10). No questions or comments from the public.

Motion Made By:		Nelson		
2 nd Motion By:		Condit		
Motion (Pass/Fail):		Pass		
<i>Primary</i>	<i>Alternate</i>	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>
Steve McShane		X		
	Jose Rodriguez	X		
Ana Beltrán		X		
	Pat Nagy	X		
Bob Nelson		X		
	Buck Condit	X		
Kellie Carillo	Liz Wynn	X		

5-6. Discussion of Captive/Self- Insured (Attachment 11)

JP Holeman: Thank you, everyone. Thank you for having us. It's nice to spend time with you here. It's taken us really years, trying to figure this out. We really got a lot of roadblocks, but we were able to make it through a lot of them in really a short period of time. Just recently, Philadelphia insurance, offered to let us use their paper. So, we will use the Philadelphia policy. That is currently our primary insurer for all liability in our package. So they finally said, yes, after ongoing negotiation and gave us an indication, which is like a quote, but not, for a \$250,000 liability deductible. They're giving the agency a 46% discounted rate. What we are presenting is basically a comparison of how it works. Comparing how CalVans performed in real life versus the real claims that happened for the past 5 policy terms.

5-7. Informational Items: Executive Director, CalVans Staff or Board Members: NONE

5-8. Requests from Board Members for Future Agenda Items: NONE

7. NEXT MEETING DATE

The next Board meeting is scheduled for: Thursday September 14, 2023.

8. ADJOURN:

Time: 11:07 A.M.

Respectfully submitted,

Georgina Landecho
Executive Director

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August 29, 2023

The Honorable Gavin Newsom
Governor, State of California
1021 O St., Room 9000
Sacramento, CA 95814

The Honorable Toni Atkins
Senate President pro Tempore
1021 O St., Room 8518
Sacramento, CA 95814

The Honorable Robert Rivas
Speaker of the Assembly
State Capitol, Room 219
Sacramento, CA 95814

RE: Support for Clean Air Investments in a Climate Resilience Bond

Dear Governor Newsom, President pro Tempore Atkins, and Speaker Rivas:

Strengthening climate resilience and achieving California’s 2045 carbon neutrality goal equitably will require sufficient funding to support projects and investments that will significantly and swiftly reduce greenhouse gas emissions, further develop clean energy infrastructure, reduce fossil fuel consumption, and improve air quality. It is particularly critical that investments center around the communities that have been historically excluded from state investments and borne the brunt of climate change impacts. **In support of the state's efforts to provide vital resources for climate change mitigation efforts, we, the undersigned organizations, write to express our support for passing a climate resilience bond by the end of the 2023 legislative session.**

In addition to mitigating wildfires, improving water quality, and protecting natural resources, a **climate resilience bond should prioritize investments in grid modernization, renewable**

energy, recycling infrastructure, zero-emission vehicle infrastructure, and building decarbonization for California to reduce greenhouse gasses and enhance the climate preparedness and resilience of our communities. We believe that equitable investment, prioritizing the most under-served communities, in the following categories will achieve these goals and ensure that the state is able to meet its ambitious carbon neutrality goals:

- Deploying zero-emission vehicle technologies and related infrastructure.
- Bolstering workforce training programs that support the deployment of zero-emission vehicle technologies and infrastructure while increasing the state’s climate resilience.
- Developing the port infrastructure necessary to handle, manufacture and deploy offshore wind energy equipment and infrastructure.
- Supporting grid modernization, including the planning and development of new or expanded high-voltage electrical transmission lines that are necessary to meet the state’s clean energy goals.
- Retrofitting zero-emission buildings, including the Equitable Building Decarbonization Program and replacing electric service panels in low-income, single and multi-family homes.
- Constructing organic waste recycling infrastructure to reduce methane emissions from landfills and achieve the state’s climate pollution reduction targets.

We thank you for your work to champion an investment proposal centered around climate change action at this pivotal moment, and we hope you will consider the above framework and programs in need of investment when constructing a climate resilience bond. Our state and the climate cannot afford to delay these investments.

Sincerely,

Nick Lapis
Director of Advocacy
Californians Against Waste

Bill Magavern
Policy Director
Coalition for Clean Air

Orville Thomas
State Policy Director
CALSTART

Reed Addis
Governmental Affairs
Electric Vehicle Charging Association

Steve McShane
Board Chair
California Vanpool Authority

Katelyn Roedner Sutter
California State Director
Environmental Defense Fund

Victoria Rome
CA Government Affairs Director
Natural Resources Defense Council

Tom Knox
Executive Director
Valley Clean Air Now

Joe La Mariana
Executive Director
RethinkWaste

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County of Kings
KCFEFS Trial Balance Summary

Accounting Period 2/2024
As Of Aug 31, 2023

Selection Criteria: Fund(s) 710355 - Calvans
Report Generated on Sep 7, 2023 6:28:50 AM

Fund: 710355 - Calvans

GL Account	GL Account Description	Debit Balance	Credit Balance
Assets			
710355-10000	CalVans/Cash In Treasury	881,749.00	
710355-10001	CalVans/Imprest Cash	100.00	
710355-20000	CalVans/Due From Other Funds		51,531.18
710355-22000	CalVans/Deposit With Others	596,656.55	
710355-22007	CalVans/Prepaid Expenses	1,038.60	
710355-34000	CalVans/Structures And Improvements	110,833.51	
710355-35000	CalVans/Equipment	20,005,705.00	
710355-35900	CalVans/Accum Depr - Equip		14,393,604.00
710355-36900	CalVans/Accum Depr - Infrastructure		32,923.00
710355-41000	CalVans/Deferred Outflow	220,505.00	
710355-42000	CalVans/Net Pension Asset		54,255.00
Subtotal - Assets		21,816,587.66	14,532,313.18
Liabilities			
710355-51000	CalVans/Warrants Payable		333,029.62
710355-51010	CalVans/Due Other Agencies		126,569.75
710355-51260	CalVans/Compensated Absences Pay		118,720.00
710355-51261	CalVans/Sick Leave Payable		24,132.00
710355-51296	CalVans/Loans Payable		2,273,897.34
710355-51297	CalVans/Loans Payable - Current	1,331,219.29	
710355-51316	CalVans/Leases Payable - Current	12,360.20	
710355-59999	CalVans/VOUCHERS PAYABLE	28,930.45	
710355-61000	CalVans/Deferred Inflow		50,455.00
Subtotal - Liabilities		1,372,509.94	2,926,803.71
Fund Balance			
710355-71008	CalVans/Capital Contribution		5,683,093.00
710355-71009	CalVans/Fund Balance Available	575,421.05	
710355-72000	CalVans/Rstr for Net Pension Asset	54,255.00	
Subtotal - Fund Balance		629,676.05	5,683,093.00
Revenue			
917100-80000	Gen Vanpool/Other Intergovernmental		88,210.69
917100-88013	Gen Vanpool/Van Pool		224,707.10
917200-80000	Ag Vanpool/Other Intergovernmental		103,300.00
917200-85047	Ag Vanpool/St Aid - Grants		5,213.00
917200-88019	Ag Vanpool/Passenger Fares		2,437,247.00
Subtotal - Revenue			2,858,677.79
Expenditure			
917000-91008	CalVans/Management Life Insurance	320.50	
917000-91010	CalVans/Insurance - Workers Comp	2,983.00	
917000-92001	CalVans/Supplies & Materials	10,732.70	
917000-92006	CalVans/Communications	8,410.63	
917000-92014	CalVans/Insurance	2,466.97	
917000-92018	CalVans/Office Equipment & Supplies	25,022.31	
917000-92019	CalVans/Maintenance - Equipment	5,139.32	
917000-92021	CalVans/Maintenance - S. I. & G.	2,796.00	
917000-92023	CalVans/Fuel And Oil	56,266.70	
917000-92033	CalVans/Postage And Freight	37.34	
917000-92037	CalVans/Prof & Spec Services	31,233.41	
917000-92038	CalVans/Legal	5,853.00	
917000-92046	CalVans/Auditing & Accounting	39,444.00	
917000-92058	CalVans/Rents & Leases - Software	15,153.74	
917000-92059	CalVans/Rents & Leases - S.I. & G.	41,452.00	
917000-92068	CalVans/Purchasing Charges	211.74	
917000-92094	CalVans/Utilities	2,091.83	
917000-92103	CalVans/Electronic Hardware	1,907.08	
917000-93003	CalVans/Interest On Other Long-Term De	280.40	
917000-93048	CalVans/Info Tech Services	4,934.67	
917100-92001	Gen Vanpool/Supplies & Materials	279.25	
917100-92006	Gen Vanpool/Communications	15,484.96	
917100-92014	Gen Vanpool/Insurance	168,366.13	
917100-92019	Gen Vanpool/Maintenance - Equipment	80,464.70	
917100-92023	Gen Vanpool/Fuel And Oil	154,192.42	
917100-92037	Gen Vanpool/Prof & Spec Services	3,362.59	
917100-92045	Gen Vanpool/Outreach	700.00	
917100-92057	Gen Vanpool/Rents & Leases - Equipmt	23,101.89	
917100-92064	Gen Vanpool/Personnel Testing	2,309.00	
917200-92001	Ag Vanpool/Supplies & Materials	14,249.28	
917200-92006	Ag Vanpool/Communications	35,802.52	
917200-92014	Ag Vanpool/Insurance	315,892.70	

917200-92018	Ag Vanpool/Office Equipment & Supplies	2,463.46	
917200-92019	Ag Vanpool/Maintenance - Equipment	285,516.95	
917200-92023	Ag Vanpool/Fuel And Oil	677,574.04	
917200-92037	Ag Vanpool/Prof & Spec Services	102,855.51	
917200-92057	Ag Vanpool/Rents & Leases - Equipmt	15,005.52	
917200-92062	Ag Vanpool/Small Tools & Instruments	420.96	
917200-92064	Ag Vanpool/Personnel Testing	7,955.00	
917200-92094	Ag Vanpool/Utilities	1,557.92	
917200-93003	Ag Vanpool/Interest On Other Long-Term De	17,821.89	
Subtotal - Expenditure		2,182,114.03	
Fund Totals		26,000,887.68	26,000,887.68
		Fund is in Balance	

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User Name: KCGClaruch

IN SUMMARY:

UNADJUSTED-CASH BASIS REVENUES - 8/31/2023	\$ 2,858,677.79
UNADJUSTED-CASH BASIS EXPENSES - 8/31/2023	\$ 2,182,114.03
PROFIT/(LOSS) - 8/31/2023	\$ 676,563.76

MERCHANTS LOANS - DEBT SCHEDULE:

	Original Principle Balance	Interest Rate	Principal Paid		Interest Paid		Principle Paid In		Principal Balance	
			Thru 8/31/2023	Thru 8/31/2023	Thru 8/31/2023	Prior Yrs	As of 8/31/23			
Loan #1	\$691,204	0%	\$0.00	\$0.00	\$691,204.08	\$	\$	\$	-	
Loan #2	\$1,000,000	12%	\$48,903.47	\$234,974.30	\$797,951.83	\$	\$	\$	153,144.70	
Loan #3	\$1,852,870	9%	\$65,107.16	\$436,003.63	\$996,973.09	\$	\$	\$	790,790.18	
TOTALS	\$3,544,075		\$114,010.63	\$670,977.93	\$2,486,129.00	\$	\$	\$	\$943,934.88	

County of Kings
KCFEGL Current vs Prior Yr Budget and Actuals Comparison

Selection Criteria: Summarize by No Group Selection, Period Sep, Fiscal Year 2024, All Funds, All Departments, Budget
 Unit(s): **917000**

Fund: 710355 - CalVans

	2023 Budget	2023 Actual	2024 Budget	2024 Actual
Revenues				
84000 - Interest On Current Deposits	9,000.00	14,480.41	9,000.00	-
88006 - Sale Of Fixed Assets	-	-	2,260,000.00	-
88025 - Other Revenue	35,000.00	48.26	65.00	-
- Total	44,000.00	14,528.67	2,269,065.00	-
Revenues - Total	44,000.00	14,528.67	2,269,065.00	-
Expenses				
91000 - Regular Employees	680,000.00	672,162.03	800,000.00	-
91002 - Special Pays	50,000.00	51,366.50	60,000.00	-
91003 - Overtime	-	-	-	-
91005 - Retirement	80,000.00	77,459.14	92,000.00	-
91007 - Health Insurance	188,604.00	156,278.05	190,000.00	-
91008 - Management Life Insurance	5,000.00	2,996.97	5,000.00	320.50
91010 - Insurance - Workers Comp	30,000.00	22,972.00	37,000.00	2,983.00
91011 - Unemployment Insurance	2,250.00	2,774.43	2,500.00	-
91012 - Social Security - Medicare	8,136.00	10,123.72	12,000.00	-
92000 - Service Fees	-	1,200.00	-	-
92001 - Supplies & Materials	80,000.00	73,362.13	79,000.00	13,216.77
92005 - Uniform Allowance	8,000.00	-	8,000.00	-
92006 - Communications	44,000.00	44,763.04	48,000.00	9,050.88
92014 - Insurance	35,000.00	24,518.97	35,000.00	3,507.97
92018 - Office Equipment & Supplies	25,000.00	32,858.58	27,000.00	32,817.70
92019 - Maintenance - Equipment	9,500.00	25,965.25	13,000.00	5,139.32
92021 - Maintenance - S. I. & G.	17,000.00	11,932.86	16,000.00	4,194.00
92023 - Fuel And Oil	12,000.00	72,454.17	12,000.00	56,266.70
92027 - Memberships	5,000.00	-	5,000.00	-
92030 - Bank Charges	12,000.00	-	60,000.00	-
92032 - Record Storage	300.00	651.00	900.00	-
92033 - Postage And Freight	10,300.00	5,972.07	6,000.00	37.34
92035 - Printing/Stores	-	118.80	200.00	-
92036 - Computer Software	60,000.00	4,625.57	1,000.00	-
92037 - Prof & Spec Services	190,000.00	160,963.50	150,000.00	42,705.02
92038 - Legal	40,000.00	24,068.25	20,000.00	5,853.00
92045 - Outreach	-	1,073.32	5,000.00	-
92046 - Auditing & Accounting	45,000.00	62,181.00	45,000.00	85,444.00
92056 - Publications & Legal Notices	1,000.00	-	-	-
92058 - Rents & Leases - Software	65,000.00	61,637.96	62,000.00	18,393.74
92059 - Rents & Leases - S.I. & G.	350,000.00	216,486.50	500,000.00	41,452.00
92062 - Small Tools & Instruments	3,400.00	2,117.35	2,500.00	-
92064 - Personnel Testing	400.00	225.00	300.00	-
92068 - Purchasing Charges	3,000.00	2,366.88	2,000.00	423.48
92089 - Motor Pool Svc	1,000.00	-	-	-
92090 - Travel	4,000.00	3,222.43	3,000.00	-
92094 - Utilities	40,000.00	31,229.45	45,000.00	2,943.12
92103 - Electronic Hardware	8,000.00	17,599.77	8,000.00	1,907.08
92110 - Training	1,000.00	-	-	-
92132 - Prof & Spec Svcs-COVID 19	500.00	150.00	200.00	-
92133 - Special Dept-COVID 19	225.00	-	-	-
92134 - Supplies & Materials-COVID 19	6,000.00	475.00	-	-
93003 - Interest On Other Long-Term De	1,682.00	1,682.40	2,000.00	280.40
93038 - Cost Allocation Plan Charges	35,000.00	20,504.00	20,500.00	-
93048 - Info Tech Services	46,000.00	54,519.84	48,000.00	9,869.34
- Total	2,203,297.00	1,955,057.93	2,423,100.00	336,805.36
Expenses - Total	2,203,297.00	1,955,057.93	2,423,100.00	336,805.36
710355 - Total	(2,159,297.00)	(1,940,529.26)	(154,035.00)	(336,805.36)
Overall - Total	(2,159,297.00)	(1,940,529.26)	(154,035.00)	(336,805.36)

County of Kings

KCFEGL Current vs Prior Yr Budget and Actuals Comparison

Selection Criteria: Summarize by No Group Selection, Period Sep, Fiscal Year 2024, All Funds, All Departments, Budget

Unit(s): **917200 - Ag Vanpool**

Fund: 710355 - CalVans

	2023 Budget	2023 Actual	2024 Budget	2024 Actual
Revenues				
80000 - Other Intergovernmental	280,498.00	186,780.76	260,000.00	103,300.00
85047 - St Aid - Grants	8,000.00	12,485.00	16,000.00	5,213.00
85103 - St Aid - SJVUAPCD Grant	6,750.00	2,790.00	-	-
88014 - Advertisement	15,000.00	17,000.00	22,000.00	-
88019 - Passenger Fares	11,400,000.00	11,420,192.85	23,825,000.00	2,802,191.00
88025 - Other Revenue	10,000.00	23,458.81	10,000.00	-
- Total	11,720,248.00	11,662,707.42	24,133,000.00	2,910,704.00
Revenues - Total	11,720,248.00	11,662,707.42	24,133,000.00	2,910,704.00
Expenses				
91000 - Regular Employees	620,000.00	689,914.56	758,000.00	-
91002 - Special Pays	33,000.00	50,196.29	54,000.00	-
91003 - Overtime	-	-	-	-
91005 - Retirement	60,000.00	78,805.14	83,000.00	-
91011 - Unemployment Insurance	2,700.00	2,589.92	4,000.00	-
91012 - Social Security - Medicare	8,000.00	10,310.15	11,000.00	-
92001 - Supplies & Materials	80,000.00	66,930.69	65,000.00	16,643.33
92006 - Communications	200,000.00	215,366.76	214,000.00	35,802.52
92014 - Insurance	1,800,000.00	1,886,129.30	3,180,000.00	413,573.47
92018 - Office Equipment & Supplies	15,000.00	16,370.24	19,000.00	2,463.46
92019 - Maintenance - Equipment	1,520,000.00	1,595,188.71	1,524,000.00	288,846.46
92023 - Fuel And Oil	3,900,000.00	3,471,141.76	5,751,000.00	849,761.05
92033 - Postage And Freight	1,000.00	208.73	300.00	-
92037 - Prof & Spec Services	460,000.00	655,663.20	300,000.00	123,144.51
92045 - Outreach	2,000.00	932.84	5,000.00	-
92057 - Rents & Leases - Equipmt	800,000.00	130,366.14	2,770,000.00	15,005.52
92058 - Rents & Leases - Software	-	956.65	-	-
92062 - Small Tools & Instruments	2,000.00	3,883.42	5,000.00	420.96
92064 - Personnel Testing	10,000.00	50,110.01	40,000.00	8,055.00
92090 - Travel	80,000.00	45,587.11	54,000.00	-
92094 - Utilities	20,000.00	10,085.49	11,000.00	2,010.77
92103 - Electronic Hardware	-	1,063.61	-	-
92110 - Training	-	-	14,000.00	-
92132 - Prof & Spec Svcs-COVID 19	1,000.00	-	-	-
93003 - Interest On Other Long-Term De	150,000.00	149,423.86	214,300.00	17,821.89
- Total	9,764,700.00	9,131,224.58	15,076,600.00	1,773,548.94
Expenses - Total	9,764,700.00	9,131,224.58	15,076,600.00	1,773,548.94
710355 - Total	1,955,548.00	2,531,482.84	9,056,400.00	1,137,155.06
Overall - Total	1,955,548.00	2,531,482.84	9,056,400.00	1,137,155.06

County of Kings
KCFEGL Current vs Prior Yr Budget and Actuals Comparison

Selection Criteria: Summarize by No Group Selection, Period Sep, Fiscal Year 2024, All Funds, All Departments, Budget

Unit(s): 917100 - Gen Vanpool

Fund: 710355 - CalVans

	2023 Budget	2023 Actual	2024 Budget	2024 Actual
Revenues				
80000 - Other Intergovernmental	300,000.00	252,022.00	312,000.00	88,210.69
85103 - St Aid - SJVUAPCD Grant	14,000.00	30,720.00	-	-
88013 - Vanpool	2,500,000.00	1,401,998.34	3,600,000.00	224,707.10
88025 - Other Revenue	1,000.00	41,624.24	2,000.00	-
- Total	2,815,000.00	1,726,364.58	3,914,000.00	312,917.79
Revenues - Total	2,815,000.00	1,726,364.58	3,914,000.00	312,917.79
Expenses				
91000 - Regular Employees	330,000.00	254,425.51	300,000.00	-
91001 - Extra Help	-	754.04	-	-
91002 - Special Pays	7,000.00	10,212.69	9,000.00	-
91003 - Overtime	-	-	-	-
91005 - Retirement	30,000.00	28,979.79	32,000.00	-
91010 - Insurance - Workers Comp	-	-	-	-
91011 - Unemployment Insurance	1,250.00	1,130.67	1,800.00	-
91012 - Social Security - Medicare	3,500.00	3,511.47	4,500.00	-
92001 - Supplies & Materials	4,000.00	5,625.18	4,000.00	467.23
92006 - Communications	88,000.00	92,971.81	90,000.00	15,484.96
92014 - Insurance	650,000.00	599,168.75	715,000.00	214,864.25
92018 - Office Equipment & Supplies	500.00	103.78	200.00	-
92019 - Maintenance - Equipment	385,000.00	533,523.22	526,000.00	81,174.70
92023 - Fuel And Oil	799,000.00	755,998.30	750,000.00	154,421.14
92033 - Postage And Freight	200.00	10.41	100.00	-
92037 - Prof & Spec Services	23,500.00	27,875.46	15,000.00	3,362.59
92045 - Outreach	5,000.00	2,010.00	2,000.00	700.00
92057 - Rents & Leases - Equipmt	200,000.00	241,507.96	266,000.00	23,101.89
92064 - Personnel Testing	10,000.00	9,156.00	9,000.00	2,309.00
92090 - Travel	1,000.00	-	1,000.00	-
92132 - Prof & Spec Svcs-COVID 19	500.00	-	500.00	-
- Total	2,538,450.00	2,566,965.04	2,726,100.00	495,885.76
Expenses - Total	2,538,450.00	2,566,965.04	2,726,100.00	495,885.76
710355 - Total	276,550.00	(840,600.46)	1,187,900.00	(182,967.97)
Overall - Total	276,550.00	(840,600.46)	1,187,900.00	(182,967.97)

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CALIFORNIA VANPOOL AUTHORITY

NTD MONTHLY REPORTS

SERVICE SUMMARY

Fiscal Year 2022-23

	<u>UNLINKED TRIPS</u>	<u>REVENUE MILES</u>	<u>REVENUE HOURS</u>	<u>REVENUE SPEED</u>	<u>WEEK DAYS</u>	<u>TRIPS/ HOUR</u>	<u>TRIPS/ VAN</u>
July-22	383,687	963,637	34,508	27.93	31	11.12	516.40
August-22	396,528	1,002,902	35,221	28.47	31	11.26	546.94
September-22	370,474	1,002,288	35,085	28.57	30	10.56	505.42
October-22	325,559	900,956	29,471	30.57	31	11.05	450.29
November-22	223,019	699,515	21,213	32.98	30	10.51	342.58
December-22	191,712	579,954	18,268	31.75	31	10.49	369.39
January-23	205,132	570,295	18,807	30.32	31	10.91	421.22
February-23	204,357	530,990	19,533	27.18	28	10.46	372.23
March-23	248,324	621,835	22,470	27.67	31	11.05	431.12
April-23	277,562	695,748	23,803	29.23	30	11.66	419.91
May-23	363,545	817,660	30,276	27.01	31	12.01	520.84
June-23	<u>379,389</u>	<u>871,432</u>	<u>33,032</u>	26.38	<u>30</u>	11.49	516.88
TOTAL	<u>3,569,288</u>	<u>9,257,212</u>	<u>321,687</u>	29.01	<u>365</u>		

	<u>PASSENGER MILES</u>	<u>AVG TRIP DISTANCE</u>	<u>VAN COUNT</u>	<u>AVG VAN MILES/DAY</u>	<u>AVG VAN LOAD</u>	<u>PASS MI/ VAN</u>	<u>PASS MI/ VAN/DAY</u>	<u>TRIPS/ DAY</u>
July-22	11,343,809	30	743	41.84	11.8	15,268	492.50	12,377
August-22	11,867,630	30	725	44.62	11.8	16,369	528.04	12,791
September-22	11,634,388	31	733	45.58	11.6	15,872	529.08	12,349
October-22	10,173,479	31	723	40.20	11.3	14,071	453.91	10,502
November-22	7,492,048	34	651	35.82	10.7	11,509	383.62	7,434
December-22	6,119,987	32	519	36.05	10.6	11,792	380.38	6,184
January-23	5,985,523	29	487	37.78	10.5	12,291	396.47	6,617
February-23	5,806,364	28	549	34.54	10.9	10,576	377.72	7,298
March-23	6,949,461	28	576	34.82	11.2	12,065	389.19	8,010
April-23	7,941,452	29	661	35.09	11.4	12,014	400.48	9,252
May-23	9,619,324	26	698	37.79	11.8	13,781	444.56	11,727
June-23	<u>10,177,194</u>	27	734	39.57	11.7	13,865	462.18	12,646
TOTAL	<u>105,110,659</u>	31.0	650	40.3	11.2			

CALIFORNIA VANPOOL AUTHORITY
NTD MONTHLY SUMMARY
FOR STATE CONTROLLER REPORT
Fiscal Year 2022-23

	VAN COUNT			PASSENGER TRIPS			REVENUE MILES		
	Weekday	Saturday	Sunday	Weekday	Saturday	Sunday	Weekday	Saturday	Sunday
July-22	743	622	369	309,126	52,628	21,933	803,892	123,422	36,324
August-22	725	585	328	339,785	40,695	16,048	876,290	99,608	27,004
September-22	733	613	387	308,028	45,054	17,392	846,292	120,188	35,808
October-22	723	581	376	262,675	43,384	19,500	739,629	121,878	39,449
November-22	651	483	329	182,741	26,041	14,237	574,601	82,285	42,629
December-22	519	337	218	163,976	18,888	8,848	501,064	54,876	24,013
January-23	487	341	215	175,428	19,658	10,046	496,351	48,055	25,888
February-23	549	361	227	174,908	19,329	10,120	465,743	42,775	22,472
March-23	576	398	255	212,239	23,840	12,245	546,226	53,060	22,550
April-23	661	530	355	222,925	36,744	17,893	571,655	90,352	33,741
May-23	698	556	293	315,059	36,165	12,321	726,136	74,799	16,725
June-23	734	573	330	325,209	37,714	16,466	768,226	79,002	24,204
Running total	7,799	5,980	3,682	2,992,099	400,140	177,049	7,916,105	990,300	350,807
Monthly average	650	498	307	249,342	33,345	14,754	659,675	82,525	29,234

	REVENUE HOURS			PASS LANE MILES			ADMIN MILES		
	Weekday	Saturday	Sunday	Weekday	Saturday	Sunday	Weekday	Saturday	Sunday
July-22	28,902	4,414	1,192	9,427,174	1,492,217	424,417			
August-22	30,881	3,457	883	10,343,139	1,213,679	310,812			
September-22	29,769	4,158	1,158	9,768,141	1,455,657	410,590			
October-22	24,436	3,831	1,204	8,305,893	1,426,698	440,887			
November-22	17,653	2,398	1,162	6,117,003	910,946	464,099			
December-22	15,946	1,630	692	5,260,162	610,295	249,530			
January-23	16,465	1,632	710	5,194,777	520,753	269,994			
February-23	17,144	1,693	726	5,081,982	472,474	251,908			
March-23	19,668	2,000	802	6,089,976	605,058	254,428			
April-23	19,805	2,889	1,109	6,492,503	1,056,951	391,998			
May-23	27,071	2,637	568	8,521,717	901,256	196,352			
June-23	29,524	2,744	764	8,956,420	940,187	280,588			
Running total	277,264	33,483	10,970	89,558,887	11,606,171	3,945,603	0	0	0
Monthly average	23,105	2,790	914	7,463,241	967,181	328,800	#DIV/0!	#DIV/0!	#DIV/0!

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MODEL 1 COMMERCIAL VEHICLES

9365 Counselors Row
Suite 112
Indianapolis, IN 46240

FOR IMMEDIATE RELEASE

August 15, 2023

MEDIA CONTACT

Danielle Falconer

danielle.falconer@elementthree.com

(317) 413-3475

**Model 1 Moves the Commercial Vehicles Market Forward in EV;
Lands Unprecedented Contract with The California Vanpool Authority**

CalVans adds more than 400 electric passenger vehicles to its fleet

INDIANAPOLIS – [Model 1 Commercial Vehicles](#), the nation’s largest bus and transportation services dealer, has signed an unprecedented contract with the [California Vanpool Authority](#) (CalVans), which purchased 403 new [Ford E-Transit](#)[□] passenger vans. CalVans is a public transit agency that meets the needs of California commuters by offering a vanpool program. It connects residents in areas with low population density with employment centers and is especially critical to meeting the needs of the farming community and its workers.

CalVans’ fleet of Ford E-transits was upfitted by [Forest River Bus](#) and fully safety certified by Forest River Bus, [BraunAbility](#), [Q’Straint](#) and [Freedman Seating Company](#). The fleet includes both 12-person and 9-person passenger vans upfitted for different configurations and route needs, including ADA compliance and room for passenger bags and tools.

Before the purchase of the Ford E-Transit units from Model 1, CalVans’ fleet of nearly 1,000 vehicles included many traditional-fuel units that had exceeded the recommended lifecycle or were reaching end-of-life. CalVans struggled to find parts to maintain old gas-fueled models or traditional unit options to meet timing demands. While many vehicle dealers were still recovering from pandemic-related supply chain issues, Model 1 was investing not only in EV inventory, but in EV infrastructure, product support and technical training. Model 1 was poised to meet CalVans timing and deliver an entire fleet of Ford E-Transit passenger vans.



MODEL 1 COMMERCIAL VEHICLES

9365 Counselors Row
Suite 112
Indianapolis, IN 46240

"It's encouraging to see adoption of electric vehicles happening at a significant scale," said Tony Matijevich, President of Model 1. "We hope the move by CalVans – and their collaborative approach with Model 1 – emboldens other agencies and organizations to make the commitment to EV units." Matijevich noted that Model 1 has units in stock as other organizations and agencies are expanding their fleets and considering EV.

"CalVans could not be more excited to lead the way in electric mobility," said Steve McShane, CalVans Board Chair. "This single move will grow our fleet by more than 40 percent and save millions in miles not traveled in the next year – greenhouse gas- and gas-free," he explained.

"QUOTE" Jim Farley, James D. Farley, Jr., Ford CEO.

Model 1 represents more than 20 top commercial vehicles (bus, van, EV, and other alternative fuel) manufacturers across the country. For more information on Model 1, its [products](#), [service](#), [parts](#), and [solutions](#), visit www.model1.com.

###

About Model 1

Model 1 Commercial Vehicles serves businesses, schools, and communities that need to move people. Established in 1980 in California as Creative Transportation Systems, Model 1 is the blueprint for creative commercial vehicle and bus solutions – with a drive for continual improvement and innovation in both traditional-fuel and alternative-fuel vehicles. Today, the company is headquartered in Indianapolis, operates 23 dealer locations throughout the U.S. and employs more than 400 professionals.

About CalVans

California Vanpool Authority (CalVans) was formed in 2011 to provide the non-standard workforce of commuters with a shared telematics driven mobility option. It has grown to include hundreds of vanpools tailored to meet the needs of government employees, student populations and commuters working in a variety of California industries. CalVans, which operates across 32 counties, is a self-funded Joint Powers Agency created via the membership of Council of Governments from various air districts across the state. Since its inception, CalVans vanpools have saved more than 1 billion road miles not traveled.

SUNRISE FARM LABOR, INC.

PRESENTS:



2023 FALL WELLNESS FAIR



SATURDAY, OCTOBER 14, 2023

11:00AM-1:00PM

FUN FOR THE FAMILY!

**34901 S. JAMESON AVE
HURON, CA 93234**



**FREE FOOD, RAFFLES, GAMES,
INFORMATIONAL BOOTHS**

QUESTIONS: CALL (559) 287-6655

SUNRISE FARM LABOR, INC.

PRESENTA:

2023 FERIA DE BIENESTAR

SABADO, OCTUBRE 14, 2023

11:00AM-1:00PM



DIVERSION PARA TODA LA FAMILIA

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**COMIDA GRATIS, RIFAS, JUEGOS,
PUESTOS INFORMATIVOS**

QUESTIONS: CALL (559) 287-6655

GRATIS

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**CALIFORNIA VANPOOL AUTHORITY
COUNTY OF KINGS, CALIFORNIA**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2020**

CALIFORNIA VANPOOL AUTHORITY
COUNTY OF KINGS, CALIFORNIA

FOR THE YEAR ENDED
JUNE 30, 2020

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Jaribu W. Nelson, CPA

P.O. Box 1105, Clovis, CA 93613 • Ph: (559) 286-7546 • Email: jaribucpa@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
California Vanpool Authority
Hanford, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the California Vanpool Authority, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the California Vanpool Authority's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of business-type activities of the California Vanpool Authority as of June 30, 2020, and the respective changes in financial position, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information. 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 required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 9, 2023, on our consideration of the California Vanpool Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the California Vanpool Authority's internal control over financial reporting and compliance.

Jaribu W. Nelson, CPA

August 9, 2023

**CALIFORNIA VANPOOL AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2020**

ASSETS

Current assets:	
Cash	\$ 1,001,359
Receivables	1,271,487
Prepaid expenses	<u>545</u>
Total current assets	<u>2,273,391</u>
Noncurrent assets:	
Capital assets, net	<u>8,007,460</u>
Total noncurrent assets	<u>8,007,460</u>
Total assets	<u>10,280,851</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related	<u>220,505</u>
-----------------	----------------

LIABILITIES

Current liabilities:	
Accounts payable	424,533
Compensated absences	83,222
Long-term liabilities	<u>2,196,089</u>
Total current liabilities	<u>2,703,844</u>
Noncurrent liabilities:	
Long-term liabilities	3,386,558
Net pension liability	<u>54,255</u>
Total noncurrent liabilities	<u>3,440,813</u>
Total liabilities	<u>6,144,657</u>

DEFERRED INFLOWS OF RESOURCES

Pension related	<u>50,455</u>
-----------------	---------------

NET POSITION

Invested in capital assets, net of related debt	2,424,813
Unrestricted	<u>1,881,431</u>
Total net position	<u>\$ 4,306,244</u>

The notes to the basic financial statements are an integral part of this statement.

**CALIFORNIA VANPOOL AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
JUNE 30, 2020**

Operating revenues:	
Passenger fares	\$ 10,825,390
Advertising revenue	<u>2,000</u>
Total operating revenues	<u>10,827,390</u>
Operating expenses:	
Salaries and benefits	2,389,337
Insurance	2,176,576
Professional and specialized services	797,785
General and administrative	1,025,612
Fuel, repairs and maintenance	4,200,284
Depreciation	<u>3,586,877</u>
Total operating expenses	<u>14,176,471</u>
Operating income (loss)	<u>(3,349,081)</u>
Nonoperating revenues (expenses):	
Federal grants	441,455
State and local funding	1,317,763
Other income	116,307
Interest income	18,727
Interest expense	<u>(244,913)</u>
Total non-operating revenues (expenses)	<u>1,649,339</u>
Increase (decrease) in net position	(1,699,742)
Net position - beginning (restated)	<u>6,005,986</u>
Total net position - ending	<u>\$ 4,306,244</u>

The notes to the basic financial statements are an integral part of this statement.

**CALIFORNIA VANPOOL AUTHORITY
STATEMENT OF CASH FLOWS
JUNE 30, 2020**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 10,858,080
Payments to suppliers, contracted entities and others	(8,288,778)
Payments to employees	<u>(2,528,103)</u>
Net cash provided by (used for) operating activities	<u>41,199</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Federal, state and local operating assistance	1,794,555
Other nonoperating income	<u>116,307</u>
Net cash provided by (used for) noncapital financing activities	<u>1,910,862</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Payments for capital assets	(689,579)
Proceeds from notes	1,000,000
Principal paid on notes	(311,426)
Principal paid on financed purchases	(8,878)
Principal paid on leases	(1,485,149)
Interest paid on debt	<u>(244,913)</u>
Net cash provided by (used for) capital and related financing activities	<u>(1,739,945)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest from investments	<u>18,727</u>
Net cash provided by (used for) investing activities	<u>18,727</u>
Net (decrease) increase in cash and cash equivalents	230,843
Cash and cash equivalents - beginning	<u>770,516</u>
Cash and cash equivalents - ending	<u>\$ 1,001,359</u>
RECONCILIATION OF OPERATING LOSS (GAIN) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	
Operating loss	\$ (3,349,081)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:	
Depreciation	3,586,877
(Increase) decrease in accounts receivable	30,690
(Increase) decrease in deferred outflows	(135,115)
(Increase) decrease in accounts payable	(88,521)
(Increase) decrease in accrued payroll and related liabilities	(89,072)
(Increase) decrease in deferred inflows	(17,432)
(Increase) decrease in net pension liability	<u>102,853</u>
Net cash provided by (used for) operating activities	<u>\$ 41,199</u>

The notes to the basic financial statements are an integral part of this statement.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Reporting Entity

California Vanpool Authority (CalVans), a joint powers agency, is comprised of the following fourteen agencies: Association of Monterey Bay Area Governments, Fresno Council of Governments, Imperial County Transportation Commission, Kern Council of Governments, Kings County Association of Governments, Madera County Transportation Commission, Merced County Association of Governments, Riverside County Transportation Commission, San Bernadino Council of Governments, San Joaquin Council of Governments, Santa Barbara County Association of Governments, Stanislaus Council of Governments, Tulare County Association of Governments, and the Ventura County Transportation Commission.

The program began in 2001 under Kings County Area Public Transit Agency (KCAPTA), in response to requests from State Correctional officers traveling to local State Facilities and from the Governor's office seeking a safe way to transport farm workers. The program for the State employees was established with the employees paying 100% of the program cost. The program for the farmworkers was funded by State and Federal grants with the goal of establishing a self-sustaining program. What started with one vanpool for a State employee and her coworkers has grown to a program providing over 750 vanpools serving State and Federal workers, teachers, students and farm workers. This growth resulted in the formation of CalVans, a separate public agency established to provide vanpool services.

CalVans was formed on October 21, 2011. The transition of staffing and equipment to CalVans was completed by December 31, 2011. Personnel became employees of CalVans and maintained the same employment benefits, rights, and protections they had as employees of KCAPTA. After the transition of vanpool program employees from KCAPTA to CalVans, the County continues to provide the following benefits and services to CalVans on a cost allocation basis: self-insurance benefits; fiscal and accounting services; banking and investment services; and information technology. CalVans reimburses the following services to the County: human resources, motor pool services, building maintenance services, and engineering services. These services are reimbursed to the County based upon actual cost or rates established by the County for the same services provided to non-County agencies. The County provides additional services to CalVans on an as needed basis billed at the standard rate for actual services provided.

B. Measurement Focus, Basis of Accounting and Presentation

The financial statements of CalVans have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

In accordance with GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, CalVans applies all applicable GASB pronouncements as well as Financial Accounting Standards Boards (FASB) Statements and Interpretations issued on or before November 30, 1989, that do not conflict with GASB pronouncements. CalVans has elected not to apply FASB Standards issued after November 30, 1989.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Measurement Focus, Basis of Accounting and Presentation (Continued)

Basis of Accounting

CalVans maintains their accounting records on the cash basis of accounting. The records are converted to the accrual basis for financial reporting purposes at year-end. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with CalVans' principal ongoing operational activities. Charges to customers represent CalVans' principal operating revenues and include passenger fares. Operating expenses include the cost of operating maintenance and support of transit services and related capital assets, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and/or expenses.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, CalVans may fund certain programs with a combination of cost-reimbursement federal, state, and local grants.

C. Pooled Cash and Investments

The Kings County Treasurer pools cash from various governmental agencies for investment purposes. Interest received on the investment is prorated to individual agencies based on their average cash balances.

The County is authorized to deposit cash and invest excess funds by the California Government Code Section 53600 et. seq. Deposited funds maintained by the County are either secured by federal depository insurance or collateralized. These pooled funds are carried at cost, which approximates market value.

For purposes of the Statement of Cash Flows, CalVans considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

D. Capital Assets

Purchases of capital assets are recorded at cost at the time of purchase. Capital assets are defined by CalVans as assets with an estimated useful life in excess of one year and an initial individual cost of \$5,000 or more. Depreciation is computed using the straight-line method over the asset's estimated useful life ranging from five to ten years.

	<u>Years</u>
Revenue equipment	5-10
Service vehicles, shop, office and other equipment	5-10

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's useful life are not capitalized.

E. Right-to-Use Lease Assets

Right-to-use lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payment made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Right-to-Use Lease Assets (Continued)

Right-to-use lease assets are amortized using the straight-line method over the shorter of the lease term or the useful life on the underlying asset, unless the lease contains a purchase option that CalVans has determined is reasonably certain of being exercised.

F. Accrued Vacation and Sick Leave

All regular full-time and regular part-time employees accumulate sick leave based on length of service. Unused accrued vacation is paid out to employees at the date of termination. If the employee retires in good standing from CalVans employment, they will have the option to receive a percentage of the dollar value of accrued sick leave (at the time of retirement) put into an "account" to be used toward Kings County health insurance premiums only, at a rate not to exceed the family option per month until the employee is eligible (by age) for Medicare or the money runs out, whichever is first.

The retiree health benefit percentage is as follows for employees hired after January 1, 1999:

Service Hours	Percentage of Compensation Health Benefit (based on hours)
20,801 - 31,200	25%
31,201 - 41,600	35%
41,601 and over	45%

The accrued vacation liability and 25% of accrued sick leave liability is recorded on the Statement of Net Position as a current liability. Changes to the liability are recorded as an increase or decrease to operating expenditures on the Statement of Revenues, Expenses, and Changes in Net Position.

Employees hired prior to January 1, 1999 are allowed a one-time irrevocable election to decide whether to receive the retiree health insurance option or cash as follows:

Service Hours	Percentage of Compensation Cash (based on hours)	Percentage of Compensation Health Benefit (based on hours)
10,401 - 41,600	25%	40%
41,601 and over	30%	50%

The accrued vacation liability and 50% accrued sick leave liability for all employees hired prior to January 1, 1999 is recorded on the Statement of Net Position as a current liability.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Leases

Lessee

CalVans is a lessee for noncancellable leases of property and vehicles. The lessee recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. CalVans recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, CalVans initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how CalVans determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- CalVans uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, CalVans generally uses its estimated incremental borrowing rate as the discount rate for leases, which it has determined is the prime rate at the inception of the lease.
- 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 CalVans is reasonably certain to exercise.

CalVans monitors changes in circumstances that would require a remeasurement of its lease and will remeasure 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 with long-term liabilities on the Statement of Net Position.

Lessor

In instances where CalVans acts as a lessor, it recognizes a lease receivable and a deferred inflow of resources in the financial statements. At the commencement of a lease, CalVans 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 the 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 CalVans determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- CalVans uses the interest rate charged to the lessees as the discount rate. When the interest rate charged to the lessees is not provided, CalVans generally uses the implied rate of return as the discount rate for leases. When the implied rate of return cannot be determined, CalVans uses its estimated incremental borrowing rate which it has determined is the prime rate at the inception of the lease.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Pensions

For purposes of measuring the net pension liabilities (assets), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Agency Retirement Service (PARS) Defined Benefit Plan and the additions to/deductions from PARS' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

I. Deferred Outflow and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows or resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. CalVans has one item that qualifies for reporting in this category. It is the pension related deferred outflows of resources reported in the Statement of Net Position.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. CalVans has one item that qualifies for reporting in this section. It is the pension related deferred inflows of resources reported in the Statement of Net Position.

J. Classification of Revenues and Expenses

Operating revenues – Operating revenues include activities that have the characteristics of exchange transactions such as passenger revenues and advertising revenues.

Operating expenses – Payments to suppliers and to employees and on behalf of employees and all payments that do not result from transactions defined as capital and related financing, noncapital financing, or investing activities.

Non-operating revenues – Non-operating revenues include activities that have the characteristics of non-exchange transactions and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting, and GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Examples of non-operating revenues would be federal grants and investment income.

Non-operating expenses – Payments that result from transactions defined as capital and related financing, non-capital financing, payments to pass-through agencies, or investing activities.

K. Contributed Capital

In accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, capital contributions are required to be included in the determination of net income. CalVans did not receive any contributions during the year ended June 30, 2020.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Federal, State and Local Grants

Federal, state and local grants are accounted for in accordance with the purpose for which the grants are intended. Grants for operating assistance and the acquisition of equipment are recorded as revenues in the year in which the related grant conditions are met. Advances received on grants are recorded as unearned revenue until related grant conditions are met.

M. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

N. Funding Sources/Programs

Federal Grants

Section 5316 – Capital, Planning, and Operating Grants

Section 5316 was established to address the unique transportation challenges faced by welfare recipients and low-income persons seeking to obtain and maintain employment. Many new entry-level jobs are located in suburban areas, and low-income individuals have difficulty accessing these jobs from their inner city, urban, or rural neighborhoods. In addition, many entry-level jobs require working when conventional transit services are either reduced or non-existent. Grants may be used for capital, planning, and operating expenses for projects that transport low-income individuals to and from jobs and activities related to employment and for reverse commuters regardless of income.

State and Local Funding

Fresno County Measure C

The 2006 Measure C Extension Expenditure Plan, passed by voters in November 2006, provides funds for vanpool programs in Fresno County. The program is designed to encourage, facilitate, and help fund new vanpools and offer financial assistance to existing vanpools to ensure their viability.

San Joaquin Valley Air Pollution Control District (the District) “REMOVE II”

The REMOVE II program provides incentives for specific projects that will reduce motor vehicle emissions within the District. The purpose of the REMOVE II Program is to assist the District in attaining the requirements of the California Clean Air Act. This is accomplished by allocating funds to cost-effective projects that have the greatest motor vehicle emission reductions resulting in long-term impacts on air pollution problems in the San Joaquin Valley. All projects must have a direct air quality benefit to the District. Any portion of a project that does not directly benefit the District within its boundaries will not be allowed for funding or in calculating emission reductions.

Affordable Housing and Sustainable Communities (AHSC) Grant

The AHSC program provides grants and affordable housing loans for compact transit-oriented development and related infrastructure and programs that reduce greenhouse gas emissions. These projects increase the accessibility of housing, employment centers, and key destinations via low-carbon transportation options (walking, biking, transit) resulting in fewer vehicle miles traveled and mode shift.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in the Kings County Treasury as part of the common investment pool and with a commercial bank. These pooled funds are carried at cost, which approximates market value. Investment income from the pool is allocated back to the respective funds based on each fund's equity in the pool. Any investment losses are proportionately shared by all funds in the pool. At June 30, 2020, CalVans had \$661,457 deposited with the County Treasurer.

At June 30, 2020, the reported amount of CalVans' deposits with banks was \$339,802 and cash on hand was \$100.

The County is authorized to deposit cash and invest excess funds by California Government Code Sections 53601 et. seq., 53635 et. seq., and 53648 et. seq. The County is restricted by Government Code Section 53635, pursuant to Section 53601, to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, banker's acceptances, commercial paper, negotiable certificates of deposit, and repurchase agreements.

Investments in investment pools are considered unclassified as to credit risk because they are not evidenced by securities that exist in physical or book entry form. Investments in investment pools and other pooled investments are excluded from the concentration of credit risk disclosure under GASB Statement No. 40.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rate. As of the year-end, the weighted average maturity of the investments contained in the County Treasury investment pool was approximately 19 months.

Credit risk is the risk of loss due to the failure of the security issuer or backer. Credit risk is mitigated by: a) limiting investments to the safest types of securities; b) prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the Treasury will do business; and c) diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools. Kings County issues a financial report that includes custodial credit risk disclosures for the cash in the County Treasury. The report may be obtained by writing to the Kings County Treasurer, at Government Center, 1400 West Lacey Boulevard, Hanford, California 93230.

NOTE 3 – RECEIVABLES

Receivables consisted of the following on June 30, 2020:

Accounts receivable	\$ 1,086,924
Due from other governments	<u>184,563</u>
 Total receivables	 <u>\$ 1,271,487</u>

Management considers all receivables to be fully collectible. No allowance for uncollectible accounts has been recorded.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 4 – CAPITAL ASSETS

Capital assets, net of accumulated depreciation, consisted of the following at June 30:

	Balance June 30, 2019 (Restated)	Increases	Decreases	Balance June 30, 2020
Current assets being depreciated/amortized				
Vans	\$ 18,945,247	\$ 689,579	\$ (24,169)	\$ 19,610,657
Administrative vehicles	145,004	-	-	145,004
Equipment - vans	1,367,951	-	-	1,367,951
Equipment - office	398,128	-	-	398,128
Structures and improvements	110,834	-	-	110,834
Right-to-use leased property	259,380	-	-	259,380
Right-to-use leased vehicles	<u>7,725,830</u>	<u>-</u>	<u>-</u>	<u>7,725,830</u>
Total capital assets being depreciated/amortized	<u>28,952,374</u>	<u>689,579</u>	<u>(24,169)</u>	<u>29,617,784</u>
Less: accumulated depreciation/amortization				
Vans	(12,194,726)	(2,023,520)	24,169	(14,194,077)
Administrative vehicles	(145,004)	-	-	(145,004)
Equipment - vans	(1,201,637)	(76,799)	-	(1,278,436)
Equipment - office	(384,154)	(8,419)	-	(392,573)
Structures and improvements	(10,712)	(11,084)	-	(21,796)
Right-to-use leased property	(68,995)	(52,049)	-	(121,044)
Right-to-use leased vehicles	<u>(4,042,388)</u>	<u>(1,415,006)</u>	<u>-</u>	<u>(5,457,394)</u>
Total accumulated depreciation/amortization	<u>(18,047,616)</u>	<u>(3,586,877)</u>	<u>24,169</u>	<u>(21,610,324)</u>
Capital assets, net	<u>\$ 10,904,758</u>	<u>\$ (2,897,298)</u>	<u>\$ -</u>	<u>\$ 8,007,460</u>

Depreciation expense for the year ended June 30, 2020 was \$3,586,877.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5 – LONG-TERM LIABILITIES

A summary of long-term liability activity for the year ended June 30, 2020 is as follows:

	Balance June 30, 2019 (Restated)	Increases	Decreases	Balance June 30, 2020	Due Within One Year
<i>Direct borrowings</i>					
Sale-leasebacks:					
Merchants Loan - 2018 (40 Vans)	\$ 409,059	\$ -	\$ (236,331)	\$ 172,728	\$ 172,728
Merchants Loan - 2019 (43 Vans)	1,852,870	-	-	1,852,870	293,099
Merchants Loan - 2020 (50 Vans)	-	1,000,000	(75,095)	924,905	210,777
Total sale-leaseback	<u>2,261,929</u>	<u>1,000,000</u>	<u>(311,426)</u>	<u>2,950,503</u>	<u>676,604</u>
Financed purchases:					
Kansas State Bank	15,796	-	(8,878)	6,918	6,918
Total financed purchases	<u>15,796</u>	<u>-</u>	<u>(8,878)</u>	<u>6,918</u>	<u>6,918</u>
<i>Total direct borrowings</i>	<u>2,277,725</u>	<u>1,000,000</u>	<u>(320,304)</u>	<u>2,957,421</u>	<u>683,522</u>
Leases payable	<u>4,110,375</u>	<u>-</u>	<u>(1,485,149)</u>	<u>2,625,226</u>	<u>1,512,567</u>
Compensated absences	<u>172,294</u>	<u>144,864</u>	<u>(233,936)</u>	<u>83,222</u>	<u>83,222</u>
Total	<u>\$ 6,560,394</u>	<u>\$ 1,144,864</u>	<u>\$ (2,039,389)</u>	<u>\$ 5,665,869</u>	<u>\$ 2,279,311</u>

A. Sale-Leaseback Arrangements

CalVans has entered into multiple sale-leaseback arrangements with Merchants Automotive Group, Inc. (Merchants). In these arrangements, CalVans sells a certain number of vehicles from its fleet to Merchants, who then leases the vans back to CalVans. Upon default, all sale-leaseback arrangements are due on demand and secured by the vans. Proceeds from the sale-leaseback arrangements are used to support operating expenses. Details of each sale-leaseback arrangement are included below:

<u>Month</u>	<u>Matures</u>	<u>Amount</u>	<u>Monthly</u>	
			<u>Installments</u>	<u>Vans Secured</u>
February 2018	February 2021	\$ 691,204	\$ 22,501	40
February 2019	June 2025	\$ 1,582,870	\$ 39,423	43
May 2020	February 2024	\$ 1,000,000	\$ 26,493	50

B. Financed Purchase

CalVans entered into contract with Kansas State Bank of Manhattan during the year ended June 30, 2016 to purchase two copy machines. The contract was for the amount of \$42,094 borrowed at an effective annual interest rate of 4.40%. Sixty payments are scheduled, and the note will mature March 2021. Upon an event of default, the principal may be declared immediately due and payable.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5 – LONG-TERM LIABILITIES (Continued)

C. Annual Debt Service

As of June 30, 2020, the annual debt service requirements for the sale-leaseback arrangements and financed purchases were as follows:

Fiscal Years Ending June 30	Principal	Interest	Total
2021	\$ 683,522	\$ 294,525	\$ 978,047
2022	574,379	216,616	790,995
2023	641,570	149,425	790,995
2024	609,097	75,926	685,023
2025	<u>448,853</u>	<u>24,225</u>	<u>473,078</u>
Total	<u>\$ 2,957,421</u>	<u>\$ 760,717</u>	<u>\$ 3,718,138</u>

NOTE 6 – LEASES

A. Leases as Lessee

Merchants Automotive Group, Inc.

CalVans negotiated a vehicle leasing agreement with Merchants Automotive Group, Inc. (Merchants) on March 13, 2012. The term of a lease begins on the date a vehicle is accepted and continues for a minimum of twenty-four (24) months. After the twenty-four (24) months the lease shall continue on a month-to-month basis until the vehicle is surrendered to Merchants.

At any time after the expiration of the minimum lease term, the vehicle can be surrendered to Merchants. Merchants will sell the vehicle. If the net proceeds exceed the depreciated value less the guaranteed residual value, Merchants will issue a refund. If the net proceeds are less than the depreciated value less the guaranteed residual value, CalVans will be billed the difference. Vehicles are being depreciated over various periods ranging from thirty (30) to eighty-four (84) months. As of June 30, 2020, CalVans was leasing 221 vehicles, all of which are under their original lease terms and are not being leased on a month-to-month basis. CalVans will continue to lease the vehicles until they have been fully depreciated. The value of the right-to-use assets as of June 30, 2020 was \$7,725,830 and had accumulated amortization of \$5,457,394.

Passek Industrial Park

In January 2018, CalVans entered into a five-year lease agreement with Passek Industrial Park for a warehouse building and outdoor yard space to store its vans. Lease payments, commencing in March 2018, were \$3,290 and included a 3% increase annually. In December 2019, the lease was amended to include the office portion of the warehouse for an additional \$930 per month. In February 2020, the lease was amended again to include an expansion of the yard space from 16,000 square feet to 24,769 square feet for an additional \$930 per month. As of June 30, 2020, the monthly lease payment was \$5,481. The value of the right-to-use asset as of June 30, 2020 was \$259,380 and had accumulated amortization of \$121,044.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6 – LEASES (Continued)

The future principal and interest lease payments as of June 30, 2020, are as follows:

Fiscal Years Ending June 30	Principal	Interest	Total
2021	\$ 1,512,567	\$ 102,754	\$ 1,615,321
2022	743,708	38,343	782,051
2023	274,891	13,416	288,307
2024	89,034	2,154	91,188
2025	<u>5,026</u>	<u>74</u>	<u>5,100</u>
Totals	<u>\$ 2,625,226</u>	<u>\$ 156,741</u>	<u>\$ 2,781,967</u>

NOTE 7 – COMPENSATED ABSENCES

Accumulated compensated absences payable in future years is recorded as an expense in the year earned by employees. CalVans had 35 employees during the fiscal year. The accrued benefits on June 30, 2020 were \$83,222, all of which is considered current.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

A. Plan Description

Plan Administration – CalVans provides retirement benefits to employees through Public Agency Retirement Services (PARS), a single-employer defined benefit pension plan (the Plan). Effective July 1, 2013, CalVans became a member of PARS. Existing employees were able to move their accrued time from CalPERS to the PARS plan, effective back to December 31, 2011. The Plan covers all full-time employees of CalVans on or after that time.

Employees are vested after five (5) years, with final pay being equal to the highest average consecutive thirty-six (36) months of compensation. Employees may receive a refund of Employee Contributions plus 3% interest earnings upon termination.

B. Benefits Provided

The Plan provides both retirement and death benefits to plan members and their beneficiaries. Retirement benefits are calculated as the PARS Age Factor multiplied by Benefit Service multiplied by Final Pay. The PARS Age Factor is "2% at 62". The 2% is adjusted should an employee choose to retire before or after their 62nd birthday. Employees will be eligible for a retirement benefit upon attaining age 52 and at least five years of full-time service with CalVans. Death benefits will be provided to the employee's eligible beneficiary in an amount equal to the 100% joint-and-survivor option. There is no special disability benefit provided by the plan.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to that employee's retirement date. Annual adjustments equal 2% per annum on the anniversary of the participant's date of retirement.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

B. Benefits Provided (Continued)

At June 30, 2020, the following employees were covered by the Plan:

Active employees	35
Terminated due refund of contributions	12
Terminated with deferred benefit	1
Total	48

C. Contributions

Required contributions are determined by CalVans based on actuarial calculations performed by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees contribute half of the normal cost as determined by an actuarial valuation. Employee contributions are made on a pre-tax basis and are deducted each payroll period. For the year ended June 30, 2020, the employee contribution rate was 9.4%. CalVans is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. CalVans' required contribution for the year ended June 30, 2020 was 11.46%. CalVans contributions to the Plan recognized as pension expense for the year ended **Error! No document variable supplied.** was \$182,453.

D. Actuarial Assumptions

With the exception of post-retirement mortality, the non-economic actuarial assumptions that determined the total pension asset/liability as of June 30, 2020 were based on the results of an actuarial experience study of the California Public Employees' Retirement System (CalPERS) for the period 1997-2011. The June 30, 2020 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	July 1, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	6.50%
Inflation	2.50%
Salary Increases	Varies by entry age and service
Investment Rate of Return	6.50%
Mortality	Pre-Retirement: Consistent with the Non-Industrial rates used to value the miscellaneous Public Agency CalPERS Pension plans after June 30, 2017.
	Post-Retirement: Consistent with the Non-Industrial rates used to value the miscellaneous Public Agency CalPERS Pension plans after June 30, 2017.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

E. Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The long-term expected rate of return on pension plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

The table below reflects the long-term expected real rate of return by asset class.

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	BAML3 - Mon T-bill	3.96%	-0.22%	-0.20%
US Core Fixed Income	Barclays Aggregate	37.88%	0.92%	0.84%
US Equity Market	Russell 3000	45.84%	4.82%	3.52%
Foreign Developed Equity	MSCI EAFE NR	7.12%	6.32%	4.75%
Emerging Markets Equity	MSCI EM NR	4.21%	8.35%	5.53%
US REITs	FTSE NAREIT Equity REIT	0.99%	5.32%	3.62%
		<u>100%</u>		
Assumed inflation - Mean			2.21%	2.20%
Assumed inflation - Standard Deviation			1.65%	1.65%
Portfolio Real Mean Return			3.40%	2.93%
Portfolio Nominal Mean Return			5.62%	5.19%
Portfolio Standard Deviation				9.64%
Long-Term Expected Rate of Return				6.50%

F. Changes in the Net Pension Liability

The changes in the net pension liability of the Plan is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2019	\$ 1,917,633	\$ 1,966,231	\$ (48,598)
Changes in the year:			
Service cost	268,150	-	268,150
Interest on the total pension liability	140,250	-	140,250
Effect of plan change	-	-	-
Effect of economic/demographic, gains, or losses	21,410	-	21,410
Effect of assumptions, changes, or inputs	75,647	-	75,647
Benefit payments	(57,081)	(57,081)	-
Employer contributions	-	182,453	(182,453)
Member contributions	-	164,888	(164,888)
Net investment income	-	55,674	(55,674)
Administrative expenses	-	(411)	411
Net changes	<u>448,376</u>	<u>345,523</u>	<u>102,853</u>
Balance at June 30, 2020	<u>\$ 2,366,009</u>	<u>\$ 2,311,754</u>	<u>\$ 54,255</u>

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

G. Pension Expense, Deferred Outflows/Inflow of Resources Related to Pensions

For the year ended June 30, 2020, the Plan recognized pension expense of \$132,759. On June 30, 2020, the Plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 33,635	\$ 50,455
Changes of assumptions	127,422	-
Differences between project and actual investment earnings	59,448	-
Total	<u>\$ 220,505</u>	<u>\$ 50,455</u>

CalVans made no contributions subsequent to the measurement date of the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year ended June 30</u>	
2021	\$ 20,310
2022	30,166
2023	30,993
2024	30,451
2025	13,118
Thereafter	45,012
Total	<u>\$ 170,050</u>

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

The following presents the net pension asset calculated using the discount rate of 6.50%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.50%) or 1 percentage-point higher (7.50%) than the current rate:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net pension liability (asset)	\$ 474,196	\$ 54,255	\$ (286,401)

I. Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued CalVans PARS Defined Benefit Plan GASB 67 and 68 Disclosure Report.

J. Payable to Pension Plan

CalVans reported no contributions payable at June 30, 2020.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9 – DEFINED CONTRIBUTION PENSION PLAN

CalVans has made available to its eligible employees a deferred compensation plan under the terms of Section 457 of the Internal Revenue Code. CalVans matches 33.3% of the management employee's deferral up to a maximum of \$2,500 annually. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Amounts accumulated under the plan have been invested in several investment options at the discretion of the employee. During the year ended June 30, 2020, \$16,728 was contributed to the Deferred Compensation Plan, which is not included as part of the financial statements.

NOTE 10 – CONTINGENT LIABILITIES

Grants have been received by CalVans for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement for costs disallowed under the terms of the grants. The amount, if any, of costs that may be disallowed by the granting agencies cannot be determined at this time. Management expects such amounts, if any, to be immaterial.

NOTE 11 – FEDERAL TRANSPORTATION FUNDS

Under provisions of Section 5316 of the Federal Transit Administration, federal resources are made available for operating, planning, capital, and capital maintenance, subject to certain limitations. CalVans spent federal assistance funds in the amount of \$13,408 during the year ended June 30, 2020.

NOTE 12 – RISK MANAGEMENT LIABILITY

CalVans is exposed to various risks of loss related to torts; theft of, or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. CalVans is insured with commercial carriers. CalVans' schedule of insurance coverage is as follows:

<u>Type of Coverage</u>	<u>Amount of Coverage</u>	<u>Effective Dates</u>
Worker's Compensation	\$1,000,000	12/26/2019 to 12/26/2020
Commercial Property	Varies	12/26/2019 to 12/26/2020
General Liability	\$2,000,000	12/26/2019 to 12/26/2020
Commercial Automobile	\$1,000,000	12/26/2019 to 12/26/2020
Automobile Excess Liability	\$9,000,000	12/26/2019 to 12/26/2020
Crime Policy	Varies	12/26/2019 to 12/26/2020

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 13 – RESTATEMENT OF BEGINNING NET POSITION

A. Prior Period Adjustment

CalVans has determined that certain transactions were recorded incorrectly in the prior year. The beginning net position of the financial statements has been restated to present an accurate opening net position, as presented in the reconciliation below.

B. Change in Accounting Principle

Governmental Accounting Standards Board Statement No. 87, Leases

For the year ended June 30, 2020, CalVans implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information about CalVans' leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated into the CalVans' June 30, 2020 financial statements and are described in Note 6.

Certain account balances and beginning net position of the financial statements have been restated to reflect the implementation of GASB 87, as presented in the reconciliation below:

<u>Description</u>	<u>Net Position</u>
Net position, as previously reported, June 30, 2019	<u>\$ 6,249,586</u>
Prior period adjustment:	
Capital assets, net	<u>(7,052)</u>
Total prior period adjustments	<u>(7,052)</u>
Change in Accounting Principle:	
Right-to-use leased property, net	190,385
Right-to-use leased vehicles, net	3,683,442
Lease liability	<u>(4,110,375)</u>
Total change in accounting principle	<u>(236,548)</u>
Net position, as restated, June 30, 2020	<u>\$ 6,005,986</u>

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REQUIRED SUPPLEMENTARY INFORMATION

CALIFORNIA VANPOOL AUTHORITY
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SINGLE-EMPLOYER DEFINED BENEFIT PLAN
FOR THE YEAR ENDED JUNE 30, 2020
LAST 10 YEARS*

	2020	2019	2018	2017	2016	2015
Total Pension Liability:						
Service cost	\$ 268,150	\$ 268,577	\$ 260,754	\$ 220,142	\$ 213,730	\$ 171,036
Interest on total pension liability	140,250	121,890	104,183	82,420	63,166	41,357
Effect of plan changes	-	-	-	-	-	-
Effect of economic/demographic gains or losses	21,410	-	(75,271)	-	25,572	-
Effect of assumption changes or inputs	75,647	-	-	56,036	42,139	-
Benefit payments	(57,081)	(19,717)	(50,134)	(16,784)	-	(22,117)
Net change in total pension liability	448,376	370,750	239,532	341,814	344,607	190,276
Total pension liability - beginning	1,917,633	1,546,883	1,307,351	965,537	620,930	430,654
Total pension liability - ending (a)	2,366,009	1,917,633	1,546,883	1,307,351	965,537	620,930
Plan Fiduciary Net Position:						
Employer contributions	182,453	159,963	148,988	131,607	129,543	121,514
Member contributions	164,888	142,181	122,629	108,321	106,923	100,268
Net investment income	55,674	112,735	96,120	120,709	922	15,305
Benefit payments	(57,081)	(19,717)	(50,134)	(16,784)	-	(22,117)
Administrative expenses	(411)	(371)	(315)	(331)	(263)	(279)
Net change in plan fiduciary net position	345,523	394,791	317,288	343,522	237,125	214,691
Plan fiduciary net position beginning	1,966,231	1,571,440	1,254,152	910,630	673,505	458,814
Plan fiduciary net position - ending (b)	2,311,754	1,966,231	1,571,440	1,254,152	910,630	673,505
Net pension liability - ending (a)-(b)	\$ 54,255	\$ (48,598)	\$ (24,557)	\$ 53,199	\$ 54,907	\$ (52,575)
Plan fiduciary net position as a percentage of the total pension liability	97.71%	102.53%	101.59%	95.93%	94.31%	108.47%
Covered payroll	\$ 1,508,363	\$ 1,364,149	\$ 1,462,591	\$ 1,289,941	\$ 1,252,370	\$ 1,059,077
Net pension liability as a percentage of covered payroll	3.60%	-3.56%	-1.68%	4.12%	4.38%	-4.96%

Notes to Schedule:

Changes in Benefit Terms - None

Changes in Assumptions - The discount rate was decreased from 6.75% to 6.50%

*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**CALIFORNIA VANPOOL AUTHORITY
SCHEDULE OF CONTRIBUTIONS
SINGLE-EMPLOYER DEFINED BENEFIT PLAN
FOR THE YEAR ENDED JUNE 30, 2020
LAST 10 YEARS***

	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 160,598	\$ 160,007	\$ 145,265	\$ 128,117	\$ 110,137	\$ 106,671	\$ 103,273
Actual employer contribution	182,453	159,963	148,988	131,607	129,543	121,514	254,937
Contribution deficiency (excess)	<u>\$ (21,855)</u>	<u>\$ 44</u>	<u>\$ (3,723)</u>	<u>\$ (3,490)</u>	<u>\$ (19,406)</u>	<u>\$ (14,843)</u>	<u>\$ (151,664)</u>
Covered payroll	\$ 1,508,363	\$ 1,364,149	\$ 1,462,591	\$ 1,289,941	\$ 1,252,370	\$ 1,059,077	\$ 1,025,740
Contribution as a percentage of covered payroll	12.10%	11.73%	10.19%	10.20%	10.34%	11.47%	24.85%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation timing	Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Amortization growth rate	2.75%
Asset valuation method	None
Investment rate of return	6.50%
Inflation	2.50%
Salary increases	Varies by years of service
Payroll growth	2.75%
Cost of living adjustment	2.00%
Mortality	Consistent with the Non-Industrial rates used to value the Miscellaneous Public Agency CalPERS Pension Plans.

*Schedule is intended to show information for 10 years. Fiscal year 2014 was the first year of implementation; therefore, only seven years are shown.

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COMPLIANCE REPORT

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Jaribu W. Nelson, CPA

P.O. Box 1105, Clovis, CA 93613 • Ph: (559) 286-7546 • Email: jaribu@cpa@gmail.com

**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
California Vanpool Authority
Hanford, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the California Vanpool Authority, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the California Vanpool Authority's basic financial statements, and have issued our report thereon dated August 9, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the California Vanpool Authority's internal control over financial reporting (internal control) to determine the 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 the California Vanpool Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the California Vanpool Authority'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the California Vanpool Authority'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 determination of financial statement amounts. 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 California Vanpool Authority'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.

Jaribu W. Nelson, CPA

August 9, 2023

**CALIFORNIA VANPOOL AUTHORITY
COUNTY OF KINGS, CALIFORNIA**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2021**

**CALIFORNIA VANPOOL AUTHORITY
COUNTY OF KINGS, CALIFORNIA**

**FOR THE YEAR ENDED
JUNE 30, 2021**

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Jaribu W. Nelson, CPA

P.O. Box 1105, Clovis, CA 93613 • Ph: (559) 286-7546 • Email: jaribucpa@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
California Vanpool Authority
Hanford, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the California Vanpool Authority, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the California Vanpool Authority's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of business-type activities of the California Vanpool Authority as of June 30, 2021, and the respective changes in financial position, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information. 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 required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 9, 2023, on our consideration of the California Vanpool Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the California Vanpool Authority's internal control over financial reporting and compliance.

Jaribu W. Nelson, CPA

August 9, 2023

**CALIFORNIA VANPOOL AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2021**

ASSETS

Current assets:

Cash	\$ 1,473,625
Receivables	1,444,113
Prepaid expenses	<u>545</u>

Total current assets 2,918,283

Noncurrent assets:

Capital assets:

Depreciable, net of accumulated depreciation	4,973,418
Net pension asset	<u>475,391</u>

Total noncurrent assets 5,448,809

Total assets 8,367,092

DEFERRED OUTFLOWS OF RESOURCES

Pension related 139,667

LIABILITIES

Current liabilities:

Accounts payable	611,406
Compensated absences	74,781
Long-term liabilities	<u>1,386,569</u>
Total current liabilities	<u>2,072,756</u>

Noncurrent liabilities:

Long-term liabilities	<u>2,253,451</u>
Total noncurrent liabilities	<u>2,253,451</u>

Total liabilities 4,326,207

DEFERRED INFLOWS OF RESOURCES

Pension related 379,225

NET POSITION

Invested in capital assets, net of related debt	1,371,950
Unrestricted	<u>2,429,377</u>

Total net position \$ 3,801,327

**CALIFORNIA VANPOOL AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
JUNE 30, 2021**

Operating revenues:	
Passenger fares	\$ 11,964,965
Advertising revenue	<u>34,000</u>
Total operating revenues	<u>11,998,965</u>
Operating expenses:	
Salaries and benefits	2,020,211
Insurance	2,410,845
Professional and specialized services	346,780
General and administrative	944,262
Fuel, repairs and maintenance	3,966,119
Depreciation	<u>3,349,938</u>
Total operating expenses	<u>13,038,155</u>
Operating income (loss)	<u>(1,039,190)</u>
Nonoperating revenues (expenses):	
Federal grants	336,004
State and local funding	527,110
Gain (loss) on sale of equipment	10,681
Other income	57,947
Interest income	10,417
Interest expense	<u>(407,886)</u>
Total non-operating revenues (expenses)	<u>534,273</u>
Increase (decrease) in net position	(504,917)
Net position - beginning	<u>4,306,244</u>
Total net position - ending	<u><u>\$ 3,801,327</u></u>

The notes to the basic financial statements are an integral part of this statement.

**CALIFORNIA VANPOOL AUTHORITY
STATEMENT OF CASH FLOWS
JUNE 30, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 11,864,617
Payments to suppliers, contracted entities and others	(7,481,133)
Payments to employees	<u>(2,148,690)</u>
Net cash provided by (used for) operating activities	<u>2,234,794</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Federal, state and local operating assistance	824,835
Other nonoperating income	<u>57,947</u>
Net cash provided by (used for) noncapital financing activities	<u>882,782</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from sale of capital assets	10,681
Principal paid on notes	(676,604)
Principal paid on financed purchases	(10,780)
Principal paid on leases	(1,571,139)
Interest paid on debt	<u>(407,886)</u>
Net cash provided by (used for) capital and related financing activities	<u>(2,655,728)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest from investments	<u>10,417</u>
Net cash provided by (used for) investing activities	<u>10,417</u>
Net (decrease) increase in cash and cash equivalents	472,265
Cash and cash equivalents - beginning	<u>1,001,360</u>
Cash and cash equivalents - ending	<u>\$ 1,473,625</u>
RECONCILIATION OF OPERATING LOSS (GAIN) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	
Operating loss	\$ (1,039,190)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:	
Depreciation	3,349,938
(Increase) decrease in accounts receivable	(134,348)
(Increase) decrease in deferred outflows	-
(Increase) decrease in prepaid expenses	80,838
(Increase) decrease in accounts payable	186,873
(Increase) decrease in accrued payroll and related liabilities	(8,441)
(Increase) decrease in deferred inflows	328,770
(Increase) decrease in net pension liability	<u>(529,646)</u>
Net cash provided by (used for) operating activities	<u>\$ 2,234,794</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING TRANSACTIONS	
Right-to-use asset additions from leases	<u>\$ 273,482</u>
Capital asset additions from financed purchases	<u>\$ 42,414</u>

The notes to the basic financial statements are an integral part of this statement.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Reporting Entity

California Vanpool Authority (CalVans), a joint powers agency, is comprised of the following fourteen agencies: Association of Monterey Bay Area Governments, Fresno Council of Governments, Imperial County Transportation Commission, Kern Council of Governments, Kings County Association of Governments, Madera County Transportation Commission, Merced County Association of Governments, Riverside County Transportation Commission, San Bernadino Council of Governments, San Joaquin Council of Governments, Santa Barbara County Association of Governments, Stanislaus Council of Governments, Tulare County Association of Governments, and the Ventura County Transportation Commission.

The program began in 2001 under Kings County Area Public Transit Agency (KCAPTA), in response to requests from State Correctional officers traveling to local State Facilities and from the Governor's office seeking a safe way to transport farm workers. The program for the State employees was established with the employees paying 100% of the program cost. The program for the farmworkers was funded by State and Federal grants with the goal of establishing a self-sustaining program. What started with one vanpool for a State employee and her coworkers has grown to a program providing over 750 vanpools serving State and Federal workers, teachers, students and farm workers. This growth resulted in the formation of CalVans, a separate public agency established to provide vanpool services.

CalVans was formed on October 21, 2011. The transition of staffing and equipment to CalVans was completed by December 31, 2011. Personnel became employees of CalVans and maintained the same employment benefits, rights, and protections they had as employees of KCAPTA. After the transition of vanpool program employees from KCAPTA to CalVans, the County continues to provide the following benefits and services to CalVans on a cost allocation basis: self-insurance benefits; fiscal and accounting services; banking and investment services; and information technology. CalVans reimburses the following services to the County: human resources, motor pool services, building maintenance services, and engineering services. These services are reimbursed to the County based upon actual cost or rates established by the County for the same services provided to non-County agencies. The County provides additional services to CalVans on an as needed basis billed at the standard rate for actual services provided.

B. Measurement Focus, Basis of Accounting and Presentation

The financial statements of CalVans have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

In accordance with GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, CalVans applies all applicable GASB pronouncements as well as Financial Accounting Standards Boards (FASB) Statements and Interpretations issued on or before November 30, 1989, that do not conflict with GASB pronouncements. CalVans has elected not to apply FASB Standards issued after November 30, 1989.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Measurement Focus, Basis of Accounting and Presentation (Continued)

Basis of Accounting

CalVans maintains their accounting records on the cash basis of accounting. The records are converted to the accrual basis for financial reporting purposes at year-end. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with CalVans' principal ongoing operational activities. Charges to customers represent CalVans' principal operating revenues and include passenger fares. Operating expenses include the cost of operating maintenance and support of transit services and related capital assets, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and/or expenses.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, CalVans may fund certain programs with a combination of cost-reimbursement federal, state, and local grants.

C. Pooled Cash and Investments

The Kings County Treasurer pools cash from various governmental agencies for investment purposes. Interest received on the investment is prorated to individual agencies based on their average cash balances.

The County is authorized to deposit cash and invest excess funds by the California Government Code Section 53600 et. seq. Deposited funds maintained by the County are either secured by federal depository insurance or collateralized. These pooled funds are carried at cost, which approximates market value.

For purposes of the Statement of Cash Flows, CalVans considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

D. Capital Assets

Purchases of capital assets are recorded at cost at the time of purchase. Capital assets are defined by CalVans as assets with an estimated useful life in excess of one year and an initial individual cost of \$5,000 or more. Depreciation is computed using the straight-line method over the asset's estimated useful life ranging from five to ten years.

	<u>Years</u>
Revenue equipment	5-10
Service vehicles, shop, office and other equipment	5-10

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's useful life are not capitalized.

E. Right-to-Use Lease Assets

Right-to-use lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payment made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Right-to-Use Lease Assets (Continued)

Right-to-use lease assets are amortized using the straight-line method over the shorter of the lease term or the useful life on the underlying asset, unless the lease contains a purchase option that CalVans has determined is reasonably certain of being exercised.

F. Accrued Vacation and Sick Leave

All regular full-time and regular part-time employees accumulate sick leave based on length of service. Unused accrued vacation is paid out to employees at the date of termination. If the employee retires in good standing from CalVans employment, they will have the option to receive a percentage of the dollar value of accrued sick leave (at the time of retirement) put into an "account" to be used toward Kings County health insurance premiums only, at a rate not to exceed the family option per month until the employee is eligible (by age) for Medicare or the money runs out, whichever is first.

The retiree health benefit percentage is as follows for employees hired after January 1, 1999:

<u>Service Hours</u>	Percentage of Compensation Health Benefit (based on hours)
20,801 - 31,200	25%
31,201 - 41,600	35%
41,601 and over	45%

The accrued vacation liability and 25% of accrued sick leave liability is recorded on the Statement of Net Position as a current liability. Changes to the liability are recorded as an increase or decrease to operating expenditures on the Statement of Revenues, Expenses, and Changes in Net Position.

Employees hired prior to January 1, 1999 are allowed a one-time irrevocable election to decide whether to receive the retiree health insurance option or cash as follows:

<u>Service Hours</u>	Percentage of Compensation Cash (based on hours)	Percentage of Compensation Health Benefit (based on hours)
10,401 - 41,600	25%	40%
41,601 and over	30%	50%

The accrued vacation liability and 50% accrued sick leave liability for all employees hired prior to January 1, 1999 is recorded on the Statement of Net Position as a current liability.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Leases

Lessee

CalVans is a lessee for noncancellable leases of property and vehicles. The lessee recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. CalVans recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, CalVans initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how CalVans determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- CalVans uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, CalVans generally uses its estimated incremental borrowing rate as the discount rate for leases, which it has determined is the prime rate at the inception of the lease.
- 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 CalVans is reasonably certain to exercise.

CalVans monitors changes in circumstances that would require a remeasurement of its lease and will remeasure 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 with long-term liabilities on the Statement of Net Position.

Lessor

In instances where CalVans acts as a lessor, it recognizes a lease receivable and a deferred inflow of resources in the financial statements. At the commencement of a lease, CalVans 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 the 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 CalVans determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- CalVans uses the interest rate charged to the lessees as the discount rate. When the interest rate charged to the lessees is not provided, CalVans generally uses the implied rate of return as the discount rate for leases. When the implied rate of return cannot be determined, CalVans uses its estimated incremental borrowing rate which it has determined is the prime rate at the inception of the lease.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Pensions

For purposes of measuring the net pension liabilities (assets), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Agency Retirement Service (PARS) Defined Benefit Plan and the additions to/deductions from PARS' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

I. Deferred Outflow and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows or resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. CalVans has one item that qualifies for reporting in this category. It is the pension related deferred outflows of resources reported in the Statement of Net Position.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. CalVans has one item that qualifies for reporting in this section. It is the pension related deferred inflows of resources reported in the Statement of Net Position.

J. Classification of Revenues and Expenses

Operating revenues – Operating revenues include activities that have the characteristics of exchange transactions such as passenger revenues and advertising revenues.

Operating expenses – Payments to suppliers and to employees and on behalf of employees and all payments that do not result from transactions defined as capital and related financing, noncapital financing, or investing activities.

Non-operating revenues – Non-operating revenues include activities that have the characteristics of non-exchange transactions and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting, and GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Examples of non-operating revenues would be federal grants and investment income.

Non-operating expenses – Payments that result from transactions defined as capital and related financing, non-capital financing, payments to pass-through agencies, or investing activities.

K. Contributed Capital

In accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, capital contributions are required to be included in the determination of net income. CalVans did not receive any contributions during the year ended June 30, 2021.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Federal, State and Local Grants

Federal, state and local grants are accounted for in accordance with the purpose for which the grants are intended. Grants for operating assistance and the acquisition of equipment are recorded as revenues in the year in which the related grant conditions are met. Advances received on grants are recorded as unearned revenue until related grant conditions are met.

M. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

N. Funding Sources/Programs

Federal Grants

Section 5316 – Capital, Planning, and Operating Grants

Section 5316 was established to address the unique transportation challenges faced by welfare recipients and low-income persons seeking to obtain and maintain employment. Many new entry-level jobs are located in suburban areas, and low-income individuals have difficulty accessing these jobs from their inner city, urban, or rural neighborhoods. In addition, many entry-level jobs require working when conventional transit services are either reduced or non-existent. Grants may be used for capital, planning, and operating expenses for projects that transport low-income individuals to and from jobs and activities related to employment and for reverse commuters regardless of income.

State and Local Funding

Fresno County Measure C

The 2006 Measure C Extension Expenditure Plan, passed by voters in November 2006, provides funds for vanpool programs in Fresno County. The program is designed to encourage, facilitate, and help fund new vanpools and offer financial assistance to existing vanpools to ensure their viability.

San Joaquin Valley Air Pollution Control District (the District) “REMOVE II”

The REMOVE II program provides incentives for specific projects that will reduce motor vehicle emissions within the District. The purpose of the REMOVE II Program is to assist the District in attaining the requirements of the California Clean Air Act. This is accomplished by allocating funds to cost-effective projects that have the greatest motor vehicle emission reductions resulting in long-term impacts on air pollution problems in the San Joaquin Valley. All projects must have a direct air quality benefit to the District. Any portion of a project that does not directly benefit the District within its boundaries will not be allowed for funding or in calculating emission reductions.

Affordable Housing and Sustainable Communities (AHSC) Grant

The AHSC program provides grants and affordable housing loans for compact transit-oriented development and related infrastructure and programs that reduce greenhouse gas emissions. These projects increase the accessibility of housing, employment centers, and key destinations via low-carbon transportation options (walking, biking, transit) resulting in fewer vehicle miles traveled and mode shift.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in the Kings County Treasury as part of the common investment pool and with a commercial bank. These pooled funds are carried at cost, which approximates market value. Investment income from the pool is allocated back to the respective funds based on each fund's equity in the pool. Any investment losses are proportionately shared by all funds in the pool. At June 30, 2021, CalVans had \$1,181,856 deposited with the County Treasurer.

At June 30, 2021, the reported amount of CalVans' deposits with banks was \$285,879 and cash on hand was \$5,890.

The County is authorized to deposit cash and invest excess funds by California Government Code Sections 53601 et. seq., 53635 et. seq., and 53648 et. seq. The County is restricted by Government Code Section 53635, pursuant to Section 53601, to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, banker's acceptances, commercial paper, negotiable certificates of deposit, and repurchase agreements.

Investments in investment pools are considered unclassified as to credit risk because they are not evidenced by securities that exist in physical or book entry form. Investments in investment pools and other pooled investments are excluded from the concentration of credit risk disclosure under GASB Statement No. 40.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rate. As of the year-end, the weighted average maturity of the investments contained in the County Treasury investment pool was approximately 19 months.

Credit risk is the risk of loss due to the failure of the security issuer or backer. Credit risk is mitigated by: a) limiting investments to the safest types of securities; b) prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the Treasury will do business; and c) diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools. Kings County issues a financial report that includes custodial credit risk disclosures for the cash in the County Treasury. The report may be obtained by writing to the Kings County Treasurer, at Government Center, 1400 West Lacey Boulevard, Hanford, California 93230.

NOTE 3 – RECEIVABLES

Receivables consisted of the following on June 30, 2021:

Accounts receivable	\$ 1,221,272
Due from other governments	<u>222,841</u>
 Total receivables	 <u>\$ 1,444,113</u>

Management considers all receivables to be fully collectible. No allowance for uncollectible accounts has been recorded.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – CAPITAL ASSETS

Capital assets, net of accumulated depreciation, consisted of the following:

	Balance June 30, 2020	Increases	Decreases	Transfers	Balance June 30, 2021
Current assets being depreciated/amortized					
Vans	\$ 19,610,657	\$ -	\$ -	\$ 585,867	\$ 20,196,524
Administrative vehicles	145,004	-	-	-	145,004
Equipment - Vans	1,367,951	-	-	-	1,367,951
Equipment - Office	398,128	42,415	-	-	440,543
Structures and improvements	110,834	-	-	-	110,834
Right-to-use leased property	259,380	152,666	-	-	412,046
Right-to-use leased vehicles	<u>7,725,830</u>	<u>120,815</u>	<u>-</u>	<u>(585,867)</u>	<u>7,260,778</u>
Total capital assets being depreciated/amortized	<u>29,617,784</u>	<u>315,896</u>	<u>-</u>	<u>-</u>	<u>29,933,680</u>
Less: accumulated depreciation/amortization					
Vans	(14,194,077)	(1,789,488)	-	(585,867)	(16,569,432)
Administrative vehicles	(145,004)	-	-	-	(145,004)
Equipment - Vans	(1,278,436)	(65,519)	-	-	(1,343,955)
Equipment - Office	(392,573)	(10,306)	-	-	(402,879)
Structures and improvements	(21,796)	(11,084)	-	-	(32,880)
Right-to-use leased property	(121,044)	(90,043)	-	-	(211,087)
Right-to-use leased vehicles	<u>(5,457,394)</u>	<u>(1,383,498)</u>	<u>-</u>	<u>585,867</u>	<u>(6,255,025)</u>
Total accumulated depreciation/amortization	<u>(21,610,324)</u>	<u>(3,349,938)</u>	<u>-</u>	<u>-</u>	<u>(24,960,262)</u>
Capital assets, net	<u>\$ 8,007,460</u>	<u>\$ (3,034,042)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,973,418</u>

Depreciation expense for the year ended June 30, 2021 was \$3,349,938.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 – LONG-TERM LIABILITIES

A summary of long-term liability activity for the year ended is as follows:

	Balance June 30, 2020	Increases	Decreases	Balance June 30, 2021	Due Within One Year
<i>Direct borrowings</i>					
Sale-leasebacks:					
Merchants Loan - 2018 (40 Vans)	\$ 172,728	\$ -	\$ (172,728)	-	\$ -
Merchants Loan - 2019 (43 Vans)	1,852,870	-	(293,099)	1,559,771	334,745
Merchants Loan - 2020 (50 Vans)	924,905	-	(210,777)	714,128	239,634
Total sale-leaseback	<u>2,950,503</u>	<u>-</u>	<u>(676,604)</u>	<u>2,273,899</u>	<u>574,379</u>
Financed purchases:					
Kansas State Bank - 2016	6,918	-	(6,918)	-	-
Kansas State Bank - 2021	-	42,414	(3,862)	38,552	7,966
Total financed purchases	<u>6,918</u>	<u>42,414</u>	<u>(10,780)</u>	<u>38,552</u>	<u>7,966</u>
<i>Total direct borrowings</i>	<u>2,957,421</u>	<u>42,414</u>	<u>(687,384)</u>	<u>2,312,451</u>	<u>582,345</u>
Leases payable	<u>2,625,226</u>	<u>273,482</u>	<u>(1,571,139)</u>	<u>1,327,569</u>	<u>804,224</u>
Compensated absences	<u>83,222</u>	<u>110,891</u>	<u>(119,332)</u>	<u>74,781</u>	<u>74,781</u>
Total	<u>\$ 5,665,869</u>	<u>\$ 426,787</u>	<u>\$ (2,377,855)</u>	<u>\$ 3,714,801</u>	<u>\$ 1,461,350</u>

A. Sale-Leaseback Arrangements

CalVans has entered into multiple sale-leaseback arrangements with Merchants Automotive Group, Inc. (Merchants). In these arrangements, CalVans sells a certain number of vehicles from its fleet to Merchants, who then leases the vans back to CalVans. Upon default, all sale-leaseback arrangements are due on demand and secured by the vans. Proceeds from the sale-leaseback arrangements are used to support operating expenses. Details of each sale-leaseback arrangement are included below:

<u>Month</u>	<u>Matures</u>	<u>Original Amount</u>	<u>Monthly Installments</u>	<u>Vans Secured</u>
February 2018	February 2021	\$ 691,204	\$ 22,501	40
February 2019	June 2025	\$ 1,582,870	\$ 39,423	43
May 2020	February 2024	\$ 1,000,000	\$ 26,493	50

B. Financed Purchases

CalVans entered into contract with Kansas State Bank of Manhattan during the year ended June 30, 2016 to purchase two copy machines. The contract was for the amount of \$42,094 borrowed at an effective annual interest rate of 4.40%. The final payment was made in March 2021.

CalVans entered into contract with Kansas State Bank of Manhattan during the year ended June 30, 2021 to purchase two copy machines. The contract was for the amount of \$42,414 borrowed at an effective annual interest rate of 4.09%. Forty-eight (48) payments are scheduled, and the note will mature December 2025. Upon an event of default, the principal may be declared immediately due and payable or require CalVans to surrender the equipment.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 – LONG-TERM LIABILITIES (Continued)

C. Annual Debt Service

As of June 30, 2021, the annual debt service requirements for the sale-leaseback arrangements and financed purchases were as follows:

Fiscal Years Ending June 30	Principal	Interest	Total
2022	\$ 582,345	\$ 219,045	\$ 801,390
2023	649,868	150,522	800,390
2024	617,740	76,677	694,417
2025	457,857	24,616	482,473
2026	4,641	56	4,697
Totals	<u>\$ 2,312,451</u>	<u>\$ 470,916</u>	<u>\$ 2,783,367</u>

NOTE 6 – LEASES

A. Leases as Lessee

Merchants Automotive Group, Inc.

CalVans negotiated a vehicle leasing agreement with Merchants Automotive Group, Inc. (Merchants) on March 13, 2012. The term of a lease begins on the date a vehicle is accepted and continues for a minimum of twenty-four (24) months. After the twenty-four (24) months the lease shall continue on a month-to-month basis until the vehicle is surrendered to Merchants.

At any time after the expiration of the minimum lease term, the vehicle can be surrendered to Merchants. Merchants will sell the vehicle. If the net proceeds exceed the depreciated value less the guaranteed residual value, Merchants will issue a refund. If the net proceeds are less than the depreciated value less the guaranteed residual value, CalVans will be billed the difference. Vehicles are being depreciated over various periods ranging from thirty (30) to eighty-four (84) months. As of June 30, 2021, CalVans was leasing 207 vehicles, of which seven are being leased on a month-to-month basis. CalVans will continue to lease the vehicles until they have been fully depreciated. The value of the right-to-use assets as of June 30, 2021 was \$7,260,778 and had accumulated amortization of \$6,255,025.

Passek Industrial Park

In January 2018, CalVans entered into a five-year lease agreement with Passek Industrial Park for a warehouse building and outdoor yard space to store its vans. Lease payments, commencing in March 2018, were \$3,290 per month and included a 3% increase annually. In December 2019, the lease was amended to include the office portion of the warehouse for an additional \$930 per month. In February 2020, the lease was amended again to include an expansion of the yard space from 16,000 square feet to 24,769 square feet for an additional \$930 per month. As of June 30, 2021, the monthly lease payment was \$5,481. The value of the right-to-use asset as of June 30, 2021 was \$259,380 and had accumulated amortization of \$172,920.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 – LEASES (Continued)

A. Leases as Lessee (Continued)

Castaneda Storage Yard

In July 2020, CalVans entered into a four-year lease agreement with Carlos Castaneda for an outdoor yard space to store its vans. Lease payments, commencing in July 2020, are \$3,400 per month with the last payment due on June 30, 2024. The value of the right-to-use asset as of June 30, 2021 was \$152,666 and had accumulated amortization of \$38,167.

The future principal and interest lease payments as of June 30, 2021, are as follows:

Fiscal Years Ending June 30	Principal	Interest	Total
2022	\$ 804,224	\$ 45,611	\$ 849,835
2023	337,722	18,369	356,091
2024	154,272	4,701	158,973
2025	<u>31,351</u>	<u>733</u>	<u>32,084</u>
Total	<u>\$ 1,327,569</u>	<u>\$ 69,414</u>	<u>\$ 1,396,983</u>

NOTE 7 – COMPENSATED ABSENCES

Accumulated compensated absences payable in future years is recorded as an expense in the year earned by employees. CalVans had 35 employees during the fiscal year. The accrued benefits on June 30, 2021 were \$74,781, all of which is considered current.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

A. Plan Description

Plan Administration – CalVans provides retirement benefits to employees through Public Agency Retirement Services (PARS), a single-employer defined benefit pension plan (the Plan). Effective July 1, 2013, CalVans became a member of PARS. Existing employees were able to move their accrued time from CalPERS to the PARS plan, effective back to December 31, 2011. The Plan covers all full-time employees of CalVans on or after that time.

Employees are vested after five (5) years, with final pay being equal to the highest average consecutive thirty-six (36) months of compensation. Employees may receive a refund of Employee Contributions plus 3% interest earnings upon termination.

B. Benefits Provided

The Plan provides both retirement and death benefits to plan members and their beneficiaries. Retirement benefits are calculated as the PARS Age Factor multiplied by Benefit Service multiplied by Final Pay. The PARS Age Factor is "2% at 62". The 2% is adjusted should an employee choose to retire before or after their 62nd birthday. Employees will be eligible for a retirement benefit upon attaining age 52 and at least five years of full-time service with CalVans. Death benefits will be provided to the employee's eligible beneficiary in an amount equal to the 100% joint-and-survivor option. There is no special disability benefit provided by the Plan.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

B. Benefits Provided (Continued)

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to that employee's retirement date. Annual adjustments equal 2% per annum on the anniversary of the participant's date of retirement.

As of June 30, 2021, the following employees were covered by the Plan:

Active employees	35
Terminated due refund of contributions	12
Terminated with deferred benefit	1
Total	48

C. Contributions

Required contributions are determined by CalVans based on actuarial calculations performed by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees contribute half of the normal cost as determined by an actuarial valuation. Employee contributions are made on a pre-tax basis and are deducted each payroll period. For the year ended June 30, 2021, the employee contribution rate was 9.4%. CalVans is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. CalVans' required contribution for the year ended June 30, 2021 was 11.46%. CalVans contributions to the Plan recognized as pension expense for the year ended June 30, 2021 was \$180,869.

D. Actuarial Assumptions

With the exception of post-retirement mortality, the non-economic actuarial assumptions that determined the total pension asset/liability as of June 30, 2021 were based on the results of an actuarial experience study of the California Public Employees' Retirement System (CalPERS) for the period 1997-2011. The June 30, 2021 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	July 1, 2019
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	6.50%
Inflation	2.50%
Salary Increases	Varies by entry age and service
Investment Rate of Return	6.50%
Mortality	Pre-Retirement: Consistent with the Non-Industrial rates used to value the miscellaneous Public Agency CalPERS' Pension plans after June 30, 2017.
	Post-Retirement: Consistent with the Non-Industrial rates used to value the miscellaneous Public Agency CalPERS' Pension plans after June 30, 2017.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

E. Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The long-term expected rate of return on pension plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

The table below reflects the long-term expected real rate of return by asset class.

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	BAML3 - Mon T-bill	1.00%	-0.32%	-0.32%
US Core Fixed Income	Barclays Aggregate	36.13%	1.37%	1.26%
US Equity Market	Russell 3000	47.36%	5.33%	3.70%
Foreign Developed Equity	MSCI EAFE NR	7.99%	6.27%	4.52%
Emerging Markets Equity	MSCI EM NR	5.53%	8.64%	4.95%
US REITs	FTSE NAREIT Equity REIT	1.99%	5.75%	3.57%
		<u>100.00%</u>		
Assumed inflation - Mean			2.30%	2.30%
Assumed inflation - Standard Deviation			1.16%	1.16%
Portfolio Real Mean Return			4.11%	3.44%
Portfolio Nominal Mean Return			6.41%	5.82%
Portfolio Standard Deviation				11.21%
Long-Term Expected Rate of Return				6.50%

F. Changes in the Net Pension Liability

The changes in the net pension liability of the Plan is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2020	\$ 2,366,009	\$ 2,311,754	\$ 54,255
Changes in the year:			
Service cost	275,524	-	275,524
Interest on the total pension liability	170,615	-	170,615
Effect of plan change	-	-	-
Effect of economic/demographic gains or losses	-	-	-
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(33,910)	(33,910)	-
Employer contributions	-	180,869	(180,869)
Member contributions	-	148,968	(148,968)
Net investment income	-	646,341	(646,341)
Administrative expenses	-	(393)	393
Net changes	<u>412,229</u>	<u>941,875</u>	<u>(529,646)</u>
Balance at June 30, 2021	<u>\$ 2,778,238</u>	<u>\$ 3,253,629</u>	<u>\$ (475,391)</u>

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

G. Pension Expense, Deferred Outflows/Inflow of Resources Related to Pensions

For the year ended June 30, 2021, the Plan recognized pension expense of \$60,831. As of June 30, 2021, the Plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 29,104	\$ 42,183
Changes of assumptions	110,563	-
Differences between project and actual investment earnings	-	337,042
Total	\$ 139,667	\$ 379,225

CalVans made no contributions subsequent to the measurement date of the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30	
2021	\$ (67,159)
2022	(66,332)
2023	(66,874)
2024	(84,205)
2025	13,118
Thereafter	31,894
Total	\$ (239,558)

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

The following presents the net pension asset calculated using the discount rate of 6.50%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.50%) or 1 percentage-point higher (7.50%) than the current rate:

	1%		Current		1%
	Decrease		Discount Rate		Increase
	5.50%		6.50%		7.50%
Net pension liability (asset)	\$ 7,532	\$	(475,391)	\$	(867,719)

I. Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued CalVans PARS Defined Benefit Plan GASB 67 and 68 Disclosure Report.

J. Payable to Pension Plan

CalVans reported no contributions payable as of June 30, 2021.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 – DEFINED CONTRIBUTION PENSION PLAN

CalVans has made available to its eligible employees a deferred compensation plan under the terms of Section 457 of the Internal Revenue Code. CalVans matches 33.3% of the management employee's deferral up to a maximum of \$2,500 annually. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Amounts accumulated under the plan have been invested in several investment options at the discretion of the employee. During the year ended June 30, 2021, \$22,498 was contributed to the Deferred Compensation Plan, which is not included as part of the financial statements.

NOTE 10 – CONTINGENT LIABILITIES

Grants have been received by CalVans for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement for costs disallowed under the terms of the grants. The amount, if any, of costs that may be disallowed by the granting agencies cannot be determined at this time. Management expects such amounts, if any, to be immaterial.

NOTE 11 – FEDERAL TRANSPORTATION FUNDS

Under provisions of Section 5316 of the Federal Transit Administration, federal resources are made available for operating, planning, capital, and capital maintenance, subject to certain limitations. CalVans spent federal assistance funds in the amount of \$9,563 during the year ended June 30, 2021.

NOTE 12 – RISK MANAGEMENT LIABILITY

CalVans is exposed to various risks of loss related to torts; theft of, or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. CalVans is insured with commercial carriers. CalVans' schedule of insurance coverage is as follows:

<u>Type of Coverage</u>	<u>Amount of Coverage</u>	<u>Effective Dates</u>
Worker's Compensation	\$1,000,000	12/26/2020 to 12/26/2021
Commercial Property	Varies	12/26/2020 to 02/26/2022
General Liability	\$2,000,000	12/26/2020 to 02/26/2022
Commercial Automobile	\$1,000,000	12/26/2020 to 02/26/2022
Automobile Excess Liability	\$10,000,000	12/26/2020 to 02/26/2022
Crime Policy	Varies	12/26/2020 to 02/26/2022

REQUIRED SUPPLEMENTARY INFORMATION

CALIFORNIA VANPOOL AUTHORITY
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SINGLE-EMPLOYER DEFINED BENEFIT PLAN
FOR THE YEAR ENDED JUNE 30, 2021
LAST 10 YEARS*

	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:							
Service cost	\$ 275,524	\$ 268,150	\$ 268,577	\$ 260,754	\$ 220,142	\$ 213,730	\$ 171,036
Interest on total pension liability	170,615	140,250	121,890	104,183	82,420	63,166	41,357
Effect of plan changes	-	-	-	-	-	-	-
Effect of economic/demographic gains or losses	-	21,410	-	(75,271)	-	25,572	-
Effect of assumption changes or inputs	-	75,647	-	-	56,036	42,139	-
Benefit payments	<u>(33,910)</u>	<u>(57,081)</u>	<u>(19,717)</u>	<u>(50,134)</u>	<u>(16,784)</u>	<u>-</u>	<u>(22,117)</u>
Net change in total pension liability	412,229	448,376	370,750	239,532	341,814	344,607	190,276
Total pension liability - beginning	<u>2,366,009</u>	<u>1,917,633</u>	<u>1,546,883</u>	<u>1,307,351</u>	<u>965,537</u>	<u>620,930</u>	<u>430,654</u>
Total pension liability - ending (a)	<u>2,778,238</u>	<u>2,366,009</u>	<u>1,917,633</u>	<u>1,546,883</u>	<u>1,307,351</u>	<u>965,537</u>	<u>620,930</u>
Plan Fiduciary Net Position:							
Employer contributions	180,869	182,453	159,963	148,988	131,607	129,543	121,514
Member contributions	148,968	164,888	142,181	122,629	108,321	106,923	100,268
Net investment income	646,341	55,674	112,735	96,120	120,709	922	15,305
Benefit payments	(33,910)	(57,081)	(19,717)	(50,134)	(16,784)	-	(22,117)
Administrative expenses	<u>(393)</u>	<u>(411)</u>	<u>(371)</u>	<u>(315)</u>	<u>(331)</u>	<u>(263)</u>	<u>(279)</u>
Net change in plan fiduciary net position	941,875	345,523	394,791	317,288	343,522	237,125	214,691
Plan fiduciary net position beginning	<u>2,311,754</u>	<u>1,966,231</u>	<u>1,571,440</u>	<u>1,254,152</u>	<u>910,630</u>	<u>673,505</u>	<u>458,814</u>
Plan fiduciary net position - ending (b)	<u>3,253,629</u>	<u>2,311,754</u>	<u>1,966,231</u>	<u>1,571,440</u>	<u>1,254,152</u>	<u>910,630</u>	<u>673,505</u>
Net pension liability (asset) - ending (a)-(b)	<u>\$ (475,391)</u>	<u>\$ 54,255</u>	<u>\$ (48,598)</u>	<u>\$ (24,557)</u>	<u>\$ 53,199</u>	<u>\$ 54,907</u>	<u>\$ (52,575)</u>
Plan fiduciary net position as a percentage of the total pension liability	117.11%	97.71%	102.53%	101.59%	95.93%	94.31%	108.47%
Covered payroll	\$ 1,254,559	\$ 1,508,363	\$ 1,364,149	\$ 1,462,591	\$ 1,289,941	\$ 1,252,370	\$ 1,059,077
Net pension liability as a percentage of covered payroll	-37.89%	3.60%	-3.56%	-1.68%	4.12%	4.38%	-4.96%

Notes to Schedule:

Changes in Benefit Terms - None

Changes in Assumptions - None

*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**CALIFORNIA VANPOOL AUTHORITY
SCHEDULE OF CONTRIBUTIONS
SINGLE-EMPLOYER DEFINED BENEFIT PLAN
FOR THE YEAR ENDED JUNE 30, 2021
LAST 10 YEARS***

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 172,796	\$ 160,598	\$ 160,007	\$ 145,265	\$ 128,117	\$ 110,137	\$ 106,671	\$ 103,273
Actual employer contribution	<u>180,869</u>	<u>182,453</u>	<u>159,963</u>	<u>148,988</u>	<u>131,607</u>	<u>129,543</u>	<u>121,514</u>	<u>254,937</u>
Contribution deficiency (excess)	<u>\$ (8,073)</u>	<u>\$ (21,855)</u>	<u>\$ 44</u>	<u>\$ (3,723)</u>	<u>\$ (3,490)</u>	<u>\$ (19,406)</u>	<u>\$ (14,843)</u>	<u>\$ (151,664)</u>
Covered payroll	\$ 1,254,559	\$ 1,508,363	\$ 1,364,149	\$ 1,462,591	\$ 1,289,941	\$ 1,252,370	\$ 1,059,077	\$ 1,025,740
Contribution as a percentage of covered payroll	14.42%	12.10%	11.73%	10.19%	10.20%	10.34%	11.47%	24.85%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation timing	Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Amortization growth rate	2.75%
Asset valuation method	None
Investment rate of return	6.50%
Inflation	2.50%
Salary increases	Varies by years of service
Payroll growth	3.00%
Cost of living adjustment	2.00%
Mortality	Consistent with the Non-Industrial rates used to value the Miscellaneous Public Agency CalPERS Pension Plans.

*Schedule is intended to show information for 10 years. Fiscal year 2014 was the first year of implementation; therefore, only eight years are shown.

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COMPLIANCE REPORT

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Jaribu W. Nelson, CPA

P.O. Box 1105, Clovis, CA 93613 • Ph: (559) 286-7546 • Email: jaribu@cpa@gmail.com

**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
California Vanpool Authority
Hanford, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the California Vanpool Authority, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the California Vanpool Authority's basic financial statements, and have issued our report thereon dated August 9, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the California Vanpool Authority's internal control over financial reporting (internal control) to determine the 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 the California Vanpool Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the California Vanpool Authority'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the California Vanpool Authority'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 determination of financial statement amounts. 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 California Vanpool Authority'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.

Jaribu W. Nelson, CPA

August 9, 2023

**CALIFORNIA VANPOOL AUTHORITY
COUNTY OF KINGS, CALIFORNIA**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2022**

CALIFORNIA VANPOOL AUTHORITY
COUNTY OF KINGS, CALIFORNIA

FOR THE YEAR ENDED
JUNE 30, 2022

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Jaribu W. Nelson, CPA

P.O. Box 1105, Clovis, CA 93613 • Ph: (559) 286-7546 • Email: jaribucpa@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
California Vanpool Authority
Hanford, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of business-type activities of the California Vanpool Authority as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the California Vanpool Authority's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of business-type activities of the California Vanpool Authority as of June 30, 2022, and the respective changes in financial position, and, where applicable, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of California Vanpool Authority 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 California Vanpool Authority's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the financial statements is not affected by this missing information. 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 9, 2023, on our consideration of California Vanpool Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of California Vanpool Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering California Vanpool Authority's internal control over financial reporting and compliance.

Jaribu W. Nelson, CPA

August 9, 2023

CALIFORNIA VANPOOL AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS

Current assets:	
Cash	\$ 1,233,175
Receivables	1,357,142
Prepaid expenses	<u>545</u>
Total current assets	<u>2,590,862</u>
Noncurrent assets:	
Capital assets:	
Depreciable, net of accumulated depreciation	2,802,694
Net pension asset	<u>144,275</u>
Total noncurrent assets	<u>2,946,969</u>
Total assets	<u>5,537,831</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related	<u>499,744</u>
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LIABILITIES

Current liabilities:	
Accounts payable	849,974
Compensated absences	96,576
Long-term liabilities	<u>987,590</u>
Total current liabilities	<u>1,934,140</u>
Noncurrent liabilities:	
Long-term liabilities	<u>1,265,861</u>
Total noncurrent liabilities	<u>1,265,861</u>
Total liabilities	<u>3,200,001</u>

DEFERRED INFLOWS OF RESOURCES

Pension related	<u>403,583</u>
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NET POSITION

Invested in capital assets, net of related debt	579,828
Unrestricted	<u>1,854,163</u>
Total net position	<u>\$ 2,433,991</u>

The notes to the basic financial statements are an integral part of this statement.

**CALIFORNIA VANPOOL AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
JUNE 30, 2022**

Operating revenues:	
Passenger fares	\$ 12,978,051
Advertising revenue	<u>8,500</u>
Total operating revenues	<u>12,986,551</u>
Operating expenses:	
Salaries and benefits	1,814,972
Insurance	2,421,369
Professional and specialized services	1,148,645
General and administrative	972,584
Fuel, repairs and maintenance	6,187,742
Depreciation	<u>2,170,724</u>
Total operating expenses	<u>14,716,036</u>
Operating income (loss)	<u>(1,729,485)</u>
Nonoperating revenues (expenses):	
Federal grants	220,191
State and local funding	374,893
Other income	22,087
Interest income	8,887
Interest expense	<u>(263,909)</u>
Total non-operating revenues (expenses)	<u>362,149</u>
Increase (decrease) in net position	(1,367,336)
Net position - beginning	<u>3,801,327</u>
Total net position - ending	<u>\$ 2,433,991</u>

The notes to the basic financial statements are an integral part of this statement.

**CALIFORNIA VANPOOL AUTHORITY
STATEMENT OF CASH FLOWS
JUNE 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 12,995,345
Payments to suppliers, contracted entities and others	(10,491,772)
Payments to employees	<u>(1,797,780)</u>

Net cash provided by (used for) operating activities 705,793

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Federal, state and local operating assistance	673,261
Other nonoperating income	<u>22,087</u>

Net cash provided by (used for) noncapital financing activities 695,348

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Principal paid on notes	(574,379)
Principle paid on financed purchases	(7,966)
Principle paid on leases	(804,224)
Interest paid on debt	<u>(263,909)</u>

Net cash provided by (used for) capital and related financing activities (1,650,478)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest from investments	<u>8,887</u>
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Net cash provided by (used for) investing activities 8,887

Net (decrease) increase in cash and cash equivalents (240,450)

Cash and cash equivalents - beginning 1,473,625

Cash and cash equivalents - ending \$ 1,233,175

RECONCILIATION OF OPERATING LOSS (GAIN) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES

Operating loss	\$ (1,729,485)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:	
Depreciation	2,170,724
(Increase) decrease in accounts receivable	8,794
(Increase) decrease in deferred outflows	(360,077)
(Increase) decrease in accounts payable	238,568
(Increase) decrease in accrued payroll and related liabilities	21,795
(Increase) decrease in deferred inflows	24,358
(Increase) decrease in net pension liability	<u>331,116</u>

Net cash provided by (used for) operating activities \$ 705,793

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Reporting Entity

California Vanpool Authority (CalVans), a joint powers agency, is comprised of the following fourteen agencies: Association of Monterey Bay Area Governments, Fresno Council of Governments, Imperial County Transportation Commission, Kern Council of Governments, Kings County Association of Governments, Madera County Transportation Commission, Merced County Association of Governments, Riverside County Transportation Commission, San Bernadino Council of Governments, San Joaquin Council of Governments, Santa Barbara County Association of Governments, Stanislaus Council of Governments, Tulare County Association of Governments, and the Ventura County Transportation Commission.

The program began in 2001 under Kings County Area Public Transit Agency (KCAPTA), in response to requests from State Correctional officers traveling to local State Facilities and from the Governor's office seeking a safe way to transport farm workers. The program for the State employees was established with the employees paying 100% of the program cost. The program for the farmworkers was funded by State and Federal grants with the goal of establishing a self-sustaining program. What started with one vanpool for a State employee and her coworkers has grown to a program providing over 750 vanpools serving State and Federal workers, teachers, students and farm workers. This growth resulted in the formation of CalVans, a separate public agency established to provide vanpool services.

CalVans was formed on October 21, 2011. The transition of staffing and equipment to CalVans was completed by December 31, 2011. Personnel became employees of CalVans and maintained the same employment benefits, rights, and protections they had as employees of KCAPTA. After the transition of vanpool program employees from KCAPTA to CalVans, the County continues to provide the following benefits and services to CalVans on a cost allocation basis: self-insurance benefits; fiscal and accounting services; banking and investment services; and information technology. CalVans reimburses the following services to the County: human resources, motor pool services, building maintenance services, and engineering services. These services are reimbursed to the County based upon actual cost or rates established by the County for the same services provided to non-County agencies. The County provides additional services to CalVans on an as needed basis billed at the standard rate for actual services provided.

B. Measurement Focus, Basis of Accounting and Presentation

The financial statements of CalVans have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

In accordance with GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, CalVans applies all applicable GASB pronouncements as well as Financial Accounting Standards Boards (FASB) Statements and Interpretations issued on or before November 30, 1989, that do not conflict with GASB pronouncements. CalVans has elected not to apply FASB Standards issued after November 30, 1989.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Measurement Focus, Basis of Accounting and Presentation (Continued)

Basis of Accounting

CalVans maintains their accounting records on the cash basis of accounting. The records are converted to the accrual basis for financial reporting purposes at year-end. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with CalVans' principal ongoing operational activities. Charges to customers represent CalVans' principal operating revenues and include passenger fares. Operating expenses include the cost of operating maintenance and support of transit services and related capital assets, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and/or expenses.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, CalVans may fund certain programs with a combination of cost-reimbursement federal, state, and local grants.

C. Pooled Cash and Investments

The Kings County Treasurer pools cash from various governmental agencies for investment purposes. Interest received on the investment is prorated to individual agencies based on their average cash balances.

The County is authorized to deposit cash and invest excess funds by the California Government Code Section 53600 et. seq. Deposited funds maintained by the County are either secured by federal depository insurance or collateralized. These pooled funds are carried at cost, which approximates market value.

For purposes of the Statement of Cash Flows, CalVans considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

D. Capital Assets

Purchases of capital assets are recorded at cost at the time of purchase. Capital assets are defined by CalVans as assets with an estimated useful life in excess of one year and an initial individual cost of \$5,000 or more. Depreciation is computed using the straight-line method over the asset's estimated useful life ranging from five to ten years.

	<u>Years</u>
Revenue equipment	5-10
Service vehicles, shop, office and other equipment	5-10

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's useful life are not capitalized.

E. Right-to-Use Lease Assets

Right-to-use lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payment made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Right-to-Use Lease Assets (Continued)

Right-to-use lease assets are amortized using the straight-line method over the shorter of the lease term or the useful life on the underlying asset, unless the lease contains a purchase option that CalVans has determined is reasonably certain of being exercised.

F. Accrued Vacation and Sick Leave

All regular full-time and regular part-time employees accumulate sick leave based on length of service. Unused accrued vacation is paid out to employees at the date of termination. If the employee retires in good standing from CalVans employment, they will have the option to receive a percentage of the dollar value of accrued sick leave (at the time of retirement) put into an "account" to be used toward Kings County health insurance premiums only, at a rate not to exceed the family option per month until the employee is eligible (by age) for Medicare or the money runs out, whichever is first.

The retiree health benefit percentage is as follows for employees hired after January 1, 1999:

<u>Service Hours</u>	Percentage of Compensation Health Benefit (based on hours)
20,801 - 31,200	25%
31,201 - 41,600	35%
41,601 and over	45%

The accrued vacation liability and 25% of accrued sick leave liability is recorded on the Statement of Net Position as a current liability. Changes to the liability are recorded as an increase or decrease to operating expenditures on the Statement of Revenues, Expenses, and Changes in Net Position.

Employees hired prior to January 1, 1999 are allowed a one-time irrevocable election to decide whether to receive the retiree health insurance option or cash as follows:

<u>Service Hours</u>	Percentage of Compensation Cash (based on hours)	Percentage of Compensation Health Benefit (based on hours)
10,401 - 41,600	25%	40%
41,601 and over	30%	50%

The accrued vacation liability and 50% accrued sick leave liability for all employees hired prior to January 1, 1999 is recorded on the Statement of Net Position as a current liability.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Leases

Lessee

CalVans is a lessee for noncancellable leases of property and vehicles. The lessee recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. CalVans recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, CalVans initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how CalVans determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- CalVans uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, CalVans generally uses its estimated incremental borrowing rate as the discount rate for leases, which it has determined is the prime rate at the inception of the lease.
- 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 CalVans is reasonably certain to exercise.

CalVans monitors changes in circumstances that would require a remeasurement of its lease and will remeasure 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 with long-term liabilities on the Statement of Net Position.

Lessor

In instances where CalVans acts as a lessor, it recognizes a lease receivable and a deferred inflow of resources in the financial statements. At the commencement of a lease, CalVans 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 the 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 CalVans determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- CalVans uses the interest rate charged to the lessees as the discount rate. When the interest rate charged to the lessees is not provided, CalVans generally uses the implied rate of return as the discount rate for leases. When the implied rate of return cannot be determined, CalVans uses its estimated incremental borrowing rate which it has determined is the prime rate at the inception of the lease.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Pensions

For purposes of measuring the net pension liabilities (assets), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Agency Retirement Service (PARS) Defined Benefit Plan and the additions to/deductions from PARS' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

I. Deferred Outflow and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows or resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. CalVans has one item that qualifies for reporting in this category. It is the pension-related deferred outflows of resources reported in the Statement of Net Position.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. CalVans has one item that qualifies for reporting in this section. It is the pension-related deferred inflows of resources reported in the Statement of Net Position.

J. Classification of Revenues and Expenses

Operating revenues – Operating revenues include activities that have the characteristics of exchange transactions such as passenger revenues and advertising revenues.

Operating expenses – Payments to suppliers and to employees and on behalf of employees and all payments that do not result from transactions defined as capital and related financing, noncapital financing, or investing activities.

Non-operating revenues – Non-operating revenues include activities that have the characteristics of non-exchange transactions and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting, and GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Examples of non-operating revenues would be federal grants and investment income.

Non-operating expenses – Payments that result from transactions defined as capital and related financing, non-capital financing, payments to pass-through agencies, or investing activities.

K. Contributed Capital

In accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, capital contributions are required to be included in the determination of net income. CalVans did not receive any contributions during the year ended June 30, 2022.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Federal, State and Local Grants

Federal, state and local grants are accounted for in accordance with the purpose for which the grants are intended. Grants for operating assistance and the acquisition of equipment are recorded as revenues in the year in which the related grant conditions are met. Advances received on grants are recorded as unearned revenue until related grant conditions are met.

M. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

N. Funding Sources/Programs

Federal Grants

Section 5316 – Capital, Planning, and Operating Grants

Section 5316 was established to address the unique transportation challenges faced by welfare recipients and low-income persons seeking to obtain and maintain employment. Many new entry-level jobs are located in suburban areas, and low-income individuals have difficulty accessing these jobs from their inner city, urban, or rural neighborhoods. In addition, many entry-level jobs require working when conventional transit services are either reduced or non-existent. Grants may be used for capital, planning, and operating expenses for projects that transport low-income individuals to and from jobs and activities related to employment and for reverse commuters regardless of income.

State and Local Funding

Fresno County Measure C

The 2006 Measure C Extension Expenditure Plan, passed by voters in November 2006, provides funds for vanpool programs in Fresno County. The program is designed to encourage, facilitate, and help fund new vanpools and offer financial assistance to existing vanpools to ensure their viability.

San Joaquin Valley Air Pollution Control District (the District) “REMOVE II”

The REMOVE II program provides incentives for specific projects that will reduce motor vehicle emissions within the District. The purpose of the REMOVE II Program is to assist the District in attaining the requirements of the California Clean Air Act. This is accomplished by allocating funds to cost-effective projects that have the greatest motor vehicle emission reductions resulting in long-term impacts on air pollution problems in the San Joaquin Valley. All projects must have a direct air quality benefit to the District. Any portion of a project that does not directly benefit the District within its boundaries will not be allowed for funding or in calculating emission reductions.

Affordable Housing and Sustainable Communities (AHSC) Grant

The AHSC program provides grants and affordable housing loans for compact transit-oriented development and related infrastructure and programs that reduce greenhouse gas emissions. These projects increase the accessibility of housing, employment centers, and key destinations via low-carbon transportation options (walking, biking, transit) resulting in fewer vehicle miles traveled and mode shift.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in the Kings County Treasury as part of the common investment pool and with a commercial bank. These pooled funds are carried at cost, which approximates market value. Investment income from the pool is allocated back to the respective funds based on each fund's equity in the pool. Any investment losses are proportionately shared by all funds in the pool. At June 30, 2022, CalVans had \$1,077,217 deposited with the County Treasurer.

At June 30, 2022, the reported amount of CalVans' deposits with banks was \$150,068 and cash on hand was \$5,890.

The County is authorized to deposit cash and invest excess funds by California Government Code Sections 53601 et. seq., 53635 et. seq., and 53648 et. seq. The County is restricted by Government Code Section 53635, pursuant to Section 53601, to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, banker's acceptances, commercial paper, negotiable certificates of deposit, and repurchase agreements.

Investments in investment pools are considered unclassified as to credit risk because they are not evidenced by securities that exist in physical or book entry form. Investments in investment pools and other pooled investments are excluded from the concentration of credit risk disclosure under GASB Statement No. 40.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rate. As of the year-end, the weighted average maturity of the investments contained in the County Treasury investment pool was approximately 15 months.

Credit risk is the risk of loss due to the failure of the security issuer or backer. Credit risk is mitigated by: a) limiting investments to the safest types of securities; b) prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the Treasury will do business; and c) diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools. Kings County issues a financial report that includes custodial credit risk disclosures for the cash in the County Treasury. The report may be obtained by writing to the Kings County Treasurer, at Government Center, 1400 West Lacey Boulevard, Hanford, California 93230.

NOTE 3 – RECEIVABLES

Receivables consisted of the following on June 30, 2022:

Accounts receivable	\$ 1,212,478
Due from other governments	<u>144,664</u>
 Total receivables	 <u>\$ 1,357,142</u>

Management considers all receivables to be fully collectible. No allowance for uncollectible accounts has been recorded.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 – CAPITAL ASSETS

Capital assets, net of accumulated depreciation, consisted of the following:

	Balance June 30, 2021	Increases	Decreases	Transfers	Balance June 30, 2022
Current assets being depreciated/amortized					
Vans	\$ 20,196,524	\$ -	\$ (18,284)	\$ 1,074,495	\$ 21,252,735
Administrative vehicles	145,004	-	-	-	145,004
Equipment - Vans	1,367,951	-	-	-	1,367,951
Equipment - Office	440,543	-	-	-	440,543
Structures and improvements	110,834	-	-	-	110,834
Right-to-use leased property	412,046	-	-	-	412,046
Right-to-use leased vehicles	<u>7,260,778</u>	<u>-</u>	<u>-</u>	<u>(1,074,495)</u>	<u>6,186,283</u>
Total capital assets being depreciated/amortized	<u>29,933,680</u>	<u>-</u>	<u>(18,284)</u>	<u>-</u>	<u>29,915,396</u>
Less: accumulated depreciation/amortization					
Vans	(16,569,432)	(1,396,295)	18,284	(1,074,495)	(19,021,938)
Administrative vehicles	(145,004)	-	-	-	(145,004)
Equipment - Vans	(1,343,955)	(22,178)	-	-	(1,366,133)
Equipment - Office	(402,879)	(8,482)	-	-	(411,361)
Structures and improvements	(32,880)	(11,084)	-	-	(43,964)
Right-to-use leased property	(211,087)	(90,042)	-	-	(301,129)
Right-to-use leased vehicles	<u>(6,255,025)</u>	<u>(642,643)</u>	<u>-</u>	<u>1,074,495</u>	<u>(5,823,173)</u>
Total accumulated depreciation/amortization	<u>(24,960,262)</u>	<u>(2,170,724)</u>	<u>18,284</u>	<u>-</u>	<u>(27,112,702)</u>
Capital assets, net	<u>\$ 4,973,418</u>	<u>\$ (2,170,724)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,802,694</u>

Depreciation expense for the year ended June 30, 2022 was \$2,170,724.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 – LONG-TERM LIABILITIES

A summary of long-term liability activity for the year ended is as follows:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
<i>Direct borrowings</i>					
Sale-leasebacks:					
Merchants Loan - 2019 (43 Vans)	\$ 1,559,772	\$ -	\$ (334,745)	1,225,027	\$ 369,129
Merchants Loan - 2020 (50 Vans)	714,128	-	(239,634)	474,494	272,441
Total sale-leaseback	<u>2,273,900</u>	<u>-</u>	<u>(574,379)</u>	<u>1,699,521</u>	<u>641,570</u>
Financed purchases:					
Kansas State Bank	38,551	-	(7,966)	30,585	8,298
Total financed purchases	<u>38,551</u>	<u>-</u>	<u>(7,966)</u>	<u>30,585</u>	<u>8,298</u>
<i>Total direct borrowings</i>	<u>2,312,451</u>	<u>-</u>	<u>(582,345)</u>	<u>1,730,106</u>	<u>649,868</u>
Leases payable	<u>1,327,569</u>	<u>-</u>	<u>(804,224)</u>	<u>523,345</u>	<u>337,722</u>
Compensated absences	<u>74,781</u>	<u>143,921</u>	<u>(122,126)</u>	<u>96,576</u>	<u>96,576</u>
Total	<u>\$ 3,714,801</u>	<u>\$ 143,921</u>	<u>\$ (1,508,695)</u>	<u>\$ 2,350,027</u>	<u>\$ 1,084,166</u>

A. Sale-Leaseback Arrangements

CalVans has entered into multiple sale-leaseback arrangements with Merchants Automotive Group, Inc. (Merchants). In these arrangements, CalVans sells a certain number of vehicles from its fleet to Merchants, who then leases the vans back to CalVans. Upon default, all sale-leaseback arrangements are due on demand and secured by the vans. Proceeds from the sale-leaseback arrangements are used to support operating expenses. Details of each sale-leaseback arrangement are included below:

<u>Month</u>	<u>Matures</u>	<u>Original Amount</u>	<u>Monthly Installments</u>	<u>Vans Secured</u>
February 2019	June 2025	\$ 1,582,870	\$ 39,423	43
May 2020	February 2024	\$ 1,000,000	\$ 26,493	50

B. Financed Purchase

CalVans entered into contract with Kansas State Bank of Manhattan during the year ended June 30, 2021 to purchase two copy machines. The contract was for the amount of \$42,414 borrowed at an effective annual interest rate of 4.09%. Forty-eight (48) payments are scheduled, and the note will mature December 2025. Upon an event of default, the principal may be declared immediately due and payable or require CalVans to surrender the equipment.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 – LONG-TERM LIABILITIES (Continued)

C. Annual Debt Service

As of June 30, 2022, the annual debt service requirements for the sale-leaseback arrangements and financed purchases were as follows:

Fiscal Years Ending June 30	Principal	Interest	Total
2023	\$ 649,868	\$ 150,522	\$ 800,390
2024	617,740	76,677	694,417
2025	457,857	24,616	482,473
2026	<u>4,641</u>	<u>56</u>	<u>4,697</u>
Total	<u>\$ 1,730,106</u>	<u>\$ 251,871</u>	<u>\$ 1,981,977</u>

NOTE 6 – LEASES

A. Leases as Lessee

Merchants Automotive Group, Inc.

CalVans negotiated a vehicle leasing agreement with Merchants Automotive Group, Inc. (Merchants) on March 13, 2012. The term of a lease begins on the date a vehicle is accepted and continues for a minimum of twenty-four (24) months. After the twenty-four (24) months the lease shall continue on a month-to-month basis until the vehicle is surrendered to Merchants.

At any time after the expiration of the minimum lease term, the vehicle can be surrendered to Merchants. Merchants will sell the vehicle. If the net proceeds exceed the depreciated value less the guaranteed residual value, Merchants will issue a refund. If the net proceeds are less than the depreciated value less the guaranteed residual value, CalVans will be billed the difference. Vehicles are being depreciated over various periods ranging from thirty (30) to eighty-four (84) months. As of June 30, 2022, CalVans was leasing 175 vehicles, of which 124 are being leased on a month-to-month basis. CalVans will continue to lease the vehicles until they have been fully depreciated. The value of the right-to-use assets as of June 30, 2022 was \$6,186,283 and had accumulated amortization of \$5,823,173.

Passek Industrial Park

In January 2018, CalVans entered into a five-year lease agreement with Passek Industrial Park for a warehouse building and outdoor yard space to store its vans. Lease payments, commencing in March 2018, were \$3,290 per month and included a 3% increase annually. In December 2019, the lease was amended to include the office portion of the warehouse for an additional \$930 per month. In February 2020, the lease was amended again to include an expansion of the yard space from 16,000 square feet to 24,769 square feet for an additional \$930 per month. As of June 30, 2022, the monthly lease payment was \$5,481. The value of the right-to-use asset as of June 30, 2022 was \$259,380 and had accumulated amortization of \$224,795.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 6 – LEASES (Continued)

A. Leases as Lessee (Continued)

Castaneda Storage Yard

In July 2020, CalVans entered into a four-year lease agreement with Carlos Castaneda for an outdoor yard space to store its vans. Lease payments, commencing in July 2020, are \$3,400 per month with the last payment due on June 30, 2024. The value of the right-to-use asset as of June 30, 2022 was \$152,666 and had accumulated amortization of \$76,334.

The future principal and interest lease payments as of June 30, 2022, are as follows:

Fiscal Years Ending June 30	Principal	Interest	Total
2023	\$ 337,722	\$ 18,369	\$ 356,091
2024	154,272	4,701	158,973
2025	<u>31,351</u>	<u>733</u>	<u>32,084</u>
Total	<u>\$ 523,345</u>	<u>\$ 23,803</u>	<u>\$ 547,148</u>

NOTE 7 – COMPENSATED ABSENCES

Accumulated compensated absences payable in future years is recorded as an expense in the year earned by employees. CalVans had 35 employees during the fiscal year. The accrued benefits on June 30, 2022 were \$96,576, all of which is considered current.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

A. Plan Description

Plan Administration – CalVans provides retirement benefits to employees through Public Agency Retirement Services (PARS), a single-employer defined benefit pension plan (the Plan). Effective July 1, 2013, CalVans became a member of PARS. Existing employees were able to move their accrued time from CalPERS to the PARS plan, effective back to December 31, 2011. The Plan covers all full-time employees of CalVans on or after that time.

Employees are vested after five (5) years, with final pay being equal to the highest average consecutive thirty-six (36) months of compensation. Employees may receive a refund of Employee Contributions plus 3% interest earnings upon termination.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

B. Benefits Provided

The Plan provides both retirement and death benefits to plan members and their beneficiaries. Retirement benefits are calculated as the PARS Age Factor multiplied by Benefit Service multiplied by Final Pay. The PARS Age Factor is "2% at 62". The 2% is adjusted should an employee choose to retire before or after their 62nd birthday. Employees will be eligible for a retirement benefit upon attaining age 52 and at least five years of full-time service with CalVans. Death benefits will be provided to the employee's eligible beneficiary in an amount equal to the 100% joint-and-survivor option. There is no special disability benefit provided by the Plan.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to that employee's retirement date. Annual adjustments equal 2% per annum on the anniversary of the participant's date of retirement.

As of June 30, 2022, the following employees were covered by the Plan:

Active employees	25
Terminated vested & other inactives	21
Retirees and beneficiaries	<u>4</u>
Total	<u>50</u>

C. Contributions

Required contributions are determined by CalVans based on actuarial calculations performed by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees contribute half of the normal cost as determined by an actuarial valuation. Employee contributions are made on a pre-tax basis and are deducted each payroll period. For the year ended June 30, 2022, the employee contribution rate was 9.4%. CalVans is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. CalVans' required contribution for the year ended June 30, 2022 was 11.46%. CalVans contributions to the Plan recognized as pension expense for the year ended June 30, 2022 was \$122,901.

D. Actuarial Assumptions

With the exception of post-retirement mortality, the non-economic actuarial assumptions that determined the total pension asset/liability as of June 30, 2022 were based on the results of an actuarial experience study of the California Public Employees' Retirement System (CalPERS) for the period 1997-2011. The June 30, 2022 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	July 1, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	6.25%
Inflation	2.50%
Salary Increases	Varies by entry age and service
Investment Rate of Return	6.25%
Mortality	Pre-Retirement: Consistent with the Non-Industrial rates used to value the miscellaneous Public Agency CalPERS' Pension plans after June 30, 2017.
	Post-Retirement: Consistent with the Non-Industrial rates used to value the miscellaneous Public Agency CalPERS' Pension plans after June 30, 2017.

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

E. Discount Rate

The discount rate used to measure the total pension liability was 6.25%. The long-term expected rate of return on pension plan investments was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

The table below reflects the long-term expected real rate of return by asset class.

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	BAML3 - Mon T-bill	6.96%	0.21%	0.20%
US Core Fixed Income	Barclays Aggregate	35.98%	1.95%	1.84%
US Equity Market	Russell 3000	45.73%	5.70%	4.10%
Foreign Developed Equity	MSCI EAFE NR	5.58%	6.99%	5.25%
Emerging Markets Equity	MSCI EM NR	3.74%	9.44%	5.97%
US REITs	FTSE NAREIT Equity REIT	2.01%	6.27%	4.11%
		<u>100.00%</u>		
Assumed inflation - Mean			2.35%	2.35%
Assumed inflation - Standard Deviation			1.25%	1.25%
Portfolio Real Mean Return			4.19%	3.64%
Portfolio Nominal Mean Return			6.54%	6.10%
Portfolio Standard Deviation				9.95%
Long-Term Expected Rate of Return				6.25%

F. Changes in the Net Pension Liability

The changes in the net pension liability of the Plan is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2021	\$ 2,778,238	\$ 3,253,629	\$ (475,391)
Changes in the year:			
Service cost	227,472	-	227,472
Interest on the total pension liability	193,375	-	193,375
Effect of economic/demographic gains or losses	(443,607)	-	(443,607)
Effect of assumptions changes or inputs	95,160	-	95,160
Benefit payments	(62,411)	(62,411)	-
Employer contributions	-	122,901	(122,901)
Member contributions	-	100,721	(100,721)
Net investment income	-	(482,032)	482,032
Administrative expenses	-	(306)	306
Net changes	<u>9,989</u>	<u>(321,127)</u>	<u>331,116</u>
Balance at June 30, 2022	<u>\$ 2,788,227</u>	<u>\$ 2,932,502</u>	<u>\$ (144,275)</u>

CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

G. Pension Expense, Deferred Outflows/Inflow of Resources Related to Pensions

For the year ended June 30, 2022, the Plan recognized pension expense of \$118,298. As of June 30, 2022, the Plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 24,573	\$ 403,583
Changes of assumptions	173,004	-
Differences between project and actual investment earnings	302,167	-
Total	\$ 499,744	\$ 403,583

CalVans made no contributions subsequent to the measurement date of the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30	
2021	\$ 15,326
2022	14,784
2023	(2,547)
2024	94,776
2025	(39,838)
Thereafter	13,660
Total	\$ 96,161

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

The following presents the net pension asset calculated using the discount rate of 6.25%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.25%) or 1 percentage-point higher (7.25%) than the current rate:

	1% Decrease 5.25%	Current Discount Rate 6.25%	1% Increase 7.25%
Net pension liability (asset)	\$ 288,698	\$ (144,275)	\$ (519,671)

I. Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued CalVans PARS Defined Benefit Plan GASB 67 and 68 Disclosure Report.

J. Payable to Pension Plan

CalVans reported no contributions payable as of June 30, 2022.

**CALIFORNIA VANPOOL AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 – DEFINED CONTRIBUTION PENSION PLAN

CalVans has made available to its eligible employees a deferred compensation plan under the terms of Section 457 of the Internal Revenue Code. CalVans matches 33.3% of the management employee's deferral up to a maximum of \$2,500 annually. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Amounts accumulated under the plan have been invested in several investment options at the discretion of the employee. During the year ended June 30, 2022, \$13,710 was contributed to the Deferred Compensation Plan, which is not included as part of the financial statements.

NOTE 10 – CONTINGENT LIABILITIES

Grants have been received by CalVans for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement for costs disallowed under the terms of the grants. The amount, if any, of costs that may be disallowed by the granting agencies cannot be determined at this time. Management expects such amounts, if any, to be immaterial.

NOTE 11 – FEDERAL TRANSPORTATION FUNDS

Under provisions of Section 5316 of the Federal Transit Administration, federal resources are made available for operating, planning, capital, and capital maintenance, subject to certain limitations. CalVans spent federal assistance funds in the amount of \$11,421 during the year ended June 30, 2022.

NOTE 12 – RISK MANAGEMENT LIABILITY

CalVans is exposed to various risks of loss related to torts; theft of, or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. CalVans is insured with commercial carriers. CalVans' schedule of insurance coverage is as follows:

<u>Type of Coverage</u>	<u>Amount of Coverage</u>	<u>Effective Dates</u>
Worker's Compensation	\$1,000,000	12/26/2021 to 12/26/2022
Commercial Property	Varies	02/26/2022 to 4/26/2023
General Liability	\$2,000,000	02/26/2022 to 4/26/2023
Commercial Automobile	\$1,000,000	02/26/2022 to 4/26/2023
Automobile Excess Liability	\$10,000,000	02/26/2022 to 4/26/2023
Crime Policy	Varies	02/26/2022 to 4/26/2023

REQUIRED SUPPLEMENTARY INFORMATION

CALIFORNIA VANPOOL AUTHORITY
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SINGLE-EMPLOYER DEFINED BENEFIT PLAN
FOR THE YEAR ENDED JUNE 30, 2022
LAST 10 YEARS*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:								
Service cost	\$ 227,472	\$ 275,524	\$ 268,150	\$ 268,577	\$ 260,754	\$ 220,142	\$ 213,730	\$ 171,036
Interest on total pension liability	193,375	170,615	140,250	121,890	104,183	82,420	63,166	41,357
Effect of plan changes	-	-	-	-	-	-	-	-
Effect of economic/demographic gains or losses	(443,607)	-	21,410	-	(75,271)	-	25,572	-
Effect of assumption changes or inputs	95,160	-	75,647	-	-	56,036	42,139	-
Benefit payments	<u>(62,411)</u>	<u>(33,910)</u>	<u>(57,081)</u>	<u>(19,717)</u>	<u>(50,134)</u>	<u>(16,784)</u>	<u>-</u>	<u>(22,117)</u>
Net change in total pension liability	9,989	412,229	448,376	370,750	239,532	341,814	344,607	190,276
Total pension liability - beginning	<u>2,778,238</u>	<u>2,366,009</u>	<u>1,917,633</u>	<u>1,546,883</u>	<u>1,307,351</u>	<u>965,537</u>	<u>620,930</u>	<u>430,654</u>
Total pension liability - ending (a)	<u>2,788,227</u>	<u>2,778,238</u>	<u>2,366,009</u>	<u>1,917,633</u>	<u>1,546,883</u>	<u>1,307,351</u>	<u>965,537</u>	<u>620,930</u>
Plan Fiduciary Net Position:								
Employer contributions	122,901	180,869	182,453	159,963	148,988	131,607	129,543	121,514
Member contributions	100,721	148,968	164,888	142,181	122,629	108,321	106,923	100,268
Net investment income	(482,032)	646,341	55,674	112,735	96,120	120,709	922	15,305
Benefit payments	(62,411)	(33,910)	(57,081)	(19,717)	(50,134)	(16,784)	-	(22,117)
Administrative expenses	<u>(306)</u>	<u>(393)</u>	<u>(411)</u>	<u>(371)</u>	<u>(315)</u>	<u>(331)</u>	<u>(263)</u>	<u>(279)</u>
Net change in plan fiduciary net position	(321,127)	941,875	345,523	394,791	317,288	343,522	237,125	214,691
Plan fiduciary net position beginning	<u>3,253,629</u>	<u>2,311,754</u>	<u>1,966,231</u>	<u>1,571,440</u>	<u>1,254,152</u>	<u>910,630</u>	<u>673,505</u>	<u>458,814</u>
Plan fiduciary net position - ending (b)	<u>2,932,502</u>	<u>3,253,629</u>	<u>2,311,754</u>	<u>1,966,231</u>	<u>1,571,440</u>	<u>1,254,152</u>	<u>910,630</u>	<u>673,505</u>
Net pension liability (asset) - ending (a)-(b)	<u>\$ (144,275)</u>	<u>\$ (475,391)</u>	<u>\$ 54,255</u>	<u>\$ (48,598)</u>	<u>\$ (24,557)</u>	<u>\$ 53,199</u>	<u>\$ 54,907</u>	<u>\$ (52,575)</u>
Plan fiduciary net position as a percentage of the total pension liability	105.17%	117.11%	97.71%	102.53%	101.59%	95.93%	94.31%	108.47%
Covered payroll	\$ 1,289,059	\$ 1,254,559	\$ 1,508,363	\$ 1,364,149	\$ 1,462,591	\$ 1,289,941	\$ 1,252,370	\$ 1,059,077
Net pension liability as a percentage of covered payroll	-11.19%	-37.89%	3.60%	-3.56%	-1.68%	4.12%	4.38%	-4.96%

Notes to Schedule:

Changes in Benefit Terms - None

Changes in Assumptions - Discount rate decreased from 6.50% to 6.25%

*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**CALIFORNIA VANPOOL AUTHORITY
SCHEDULE OF CONTRIBUTIONS
SINGLE-EMPLOYER DEFINED BENEFIT PLAN
FOR THE YEAR ENDED JUNE 30, 2022
LAST 10 YEARS***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 143,772	\$ 172,796	\$ 160,598	\$ 160,007	\$ 145,265	\$ 128,117	\$ 110,137	\$ 106,671	\$ 103,273
Actual employer contribution	122,901	180,869	182,453	159,963	148,988	131,607	129,543	121,514	254,937
Contribution deficiency (excess)	<u>\$ 20,871</u>	<u>\$ (8,073)</u>	<u>\$ (21,855)</u>	<u>\$ 44</u>	<u>\$ (3,723)</u>	<u>\$ (3,490)</u>	<u>\$ (19,406)</u>	<u>\$ (14,843)</u>	<u>\$ (151,664)</u>
Covered payroll	\$ 1,289,059	\$ 1,254,559	\$ 1,508,363	\$ 1,364,149	\$ 1,462,591	\$ 1,289,941	\$ 1,252,370	\$ 1,059,077	\$ 1,025,740
Contribution as a percentage of covered payroll	9.53%	14.42%	12.10%	11.73%	10.19%	10.20%	10.34%	11.47%	24.85%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation timing	Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Amortization growth rate	2.75%
Asset valuation method	None
Investment rate of return	6.25%
Inflation	2.50%
Salary increases	Varies by years of service
Payroll growth	3.00%
Cost of living adjustment	2.00%
Mortality	Consistent with the Non-Industrial rates used to value the Miscellaneous Public Agency CalPERS Pension Plans.

*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

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COMPLIANCE REPORT

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Jaribu W. Nelson, CPA

P.O. Box 1105, Clovis, CA 93613 • Ph: (559) 286-7546 • Email: jaribucpa@gmail.com

**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
California Vanpool Authority
Hanford, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the California Vanpool Authority, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the California Vanpool Authority's basic financial statements, and have issued our report thereon dated August 9, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the California Vanpool Authority's internal control over financial reporting (internal control) to determine the 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 the California Vanpool Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the California Vanpool Authority'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the California Vanpool Authority'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 determination of financial statement amounts. 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 California Vanpool Authority'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.

Jaribu W. Nelson, CPA

August 9, 2023

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Prepared for: CalVans



Dear Georgina, Amanda, Gabriel, Miguel & all of CalVans

On behalf of WEX & Chevron, we would like to extend our deepest and most sincere gratitude for considering us in this opportunity to earn your business. CalVans serves as an example in our communities, and the work you perform is greatly appreciated.

It would be our pleasure to partner and build association with you, and it is our hope that a relationship together can benefit each of us, now and in the future.

I am confident that we will meet your expectations and look forward to the opportunity to deliver to CalVans industry leading rebates as well as an unmatched customer experience.

Thanks again!

Kind regards,

Christopher Murdaco
Commercial Fleet Specialist - Chevron
WEX Inc
(805) 723-4005
christopher.murdaco@wexinc.com

Dawn Wiggins
Director - Chevron Commercial Fleet Sales
WEX Inc
dawn.wiggins@wexinc.com

Lamar Jackson
Channel Sales & Business Development – Chevron
WEX Inc
lamar.jackson@wexinc.com

Primary Benefits:

- With Chevron's universally accepted fleet cards, CalVans can look to consolidate their current fuel management into a singular account provided by one vendor as opposed to multiple
 - Dealing with one vendor only demonstrates a significant decrease of processing times for your back office employees
- Acceptance at more than 95% of all retail fueling stations nationwide offering the same convenience your drivers are accustomed to today
- Instant alerts when things get fuzzy
 - Payment declines at the pump with a reason for the decline
 - When your bills are coming due
 - If there is suspicious or unusual activity on the account, and more
- Level III data capture and industry leading fraud tracking, limiting exposure to you and your drivers
- Fraud protection – WEX is one of the only fleet card providers in the United States that includes this as a feature of your account

Customer Service

- In addition to your program's included best in class customer service and as part of our commitment to providing a superior customer experience to CalVans, we would like to offer a **VIP Account Manager** assigned to your account. Your VIP Account Manager will be your go-to and direct account expert for questions, support, and assistance with your account
- Your VIP Account Manager can also assist with introducing you to WEX's full suite of products, including vehicle GPS and Telematics devices, company healthcare accounts, virtual corporate spending accounts and more
- Account Representatives include:
 - Assigned VIP Account Manager (TBD)
 - Christopher Murdaco - California based Chevron Representative
 - Melissa Martin - New Account and Onboarding Specialist
 - Kevin Munro - Payments and Customer Advocate Specialist
 - 24/7/365 US-based customer service in Portland, ME dedicated to the Chevron & Texaco brand exclusively

Discounts and Rebates

- **COCO Rebate**
- Additional 5¢ per gallon valid at all company owned and operated Chevron and Texaco locations
- **Large Fleet Introductory Pricing**
- 15¢ per gallon rebate valid at all Chevron and Texaco locations for the first 12 months of your account
- **Cash/Chevron Card Pump Discount**
- Exclusive pump pricing valid at hundreds of applicable Chevron and Texaco stations in California and thousands nationwide
- Often 10¢ or more per gallon, displayed at pump



BUSINESS CARD PROGRAM

- **Standard Tiered Rebate** (after 12 months of account inception)
- Valid at all Chevron and Texaco locations nationwide
- Card grid tiers based on gallon usage at Chevron and Texaco stations
- Up to 6¢ per gallon
 - CalVans will qualify for the **full 6¢ per gallon rebate every single month** based on current fueling habits

Accelerated	
500 - 2,000	= 1¢
2,001 - 4,000	= 2¢
4,001 - 6,000	= 3¢
6,001 - 8,000	= 4¢
8,001 - 10,000	= 5¢
10,000+	6¢

- **CalVans Exclusive Negotiated Pricing**
- Multiple independent Chevron station owners have committed to providing further discounts that are offered exclusively to CalVans
- Typically, additional 5¢ per gallon further rebates

- **Early Payment Discounts via Direct Debit**
- Choose from multiple direct debit payment options that provide early payment discounts off your entire bill (additional 0.02% to 0.13%, or further \$60 to \$390 monthly savings)

= Potential for up 30+¢ per gallon at specific Chevron and Texaco locations in California

- Please communicate with your VIP Account Manager directly for a better understanding of exactly which sites this includes

= Optimize monthly savings with rebates around 22.5¢ per gallon at all Chevron and Texaco locations in California

Fees and Waivers

- All applicable monthly card, out of network, and set-up fees will be waived



BUSINESS CARD PROGRAM

SAMPLE OF POTENTIAL SAVINGS		
CURRENT FUELING PATTERNS (based on 07/01/2022 - 06/30/2023 data)		
Gallons Yearly	630,521.07	
Gals @ Chev/Tex Yearly	273,900.07	
Percentage at Chevron/Texaco	43.44%	
Chevron Cash Pricing (est.)	\$ 19,173.01	(based on 10c per gallon price difference offered at approx 70% of all Chevron stations in CA)
Large Fleet Rebate (15c first 12 mos)	\$ 41,085.01	
Tiered Rebate (6c after 12 months)	\$ 16,434.00	
CHEVRON 0094820 (5c)	\$ 151.94	(Based on Boyett Purchases ONLY)
CHEVRON 0099840 (5c)	\$ 173.34	(Based on Boyett Purchases ONLY)
CHEVRON 0095867 (5c)	\$ 145.36	(Based on Boyett Purchases ONLY)
CHEVRON 0096178 (5c)	\$ 142.48	(Based on Boyett Purchases ONLY)
CHEVRON 0371534 (5c)	\$ 321.55	(Based on Boyett Purchases ONLY)
CHEVRON 0308293 (5c)	\$ 146.02	(Based on Boyett Purchases ONLY)
CHEVRON 0098749 (5c)	\$ 135.13	(Based on Boyett Purchases ONLY)
CHEVRON 0376766 (5c)	\$ 83.82	(Based on Boyett Purchases ONLY)
CHEVRON 0376780 (5c)	\$ 91.88	(Based on Boyett Purchases ONLY)
TOTAL SAVINGS PER YEAR	\$ 61,649.54	
UNCONFIRMED POTENTIAL ADD'L DISCOUNTS	\$ 6,022.87	(annually)





BUSINESS CARD PROGRAM

SAMPLE OF POTENTIAL SAVINGS (increased fueling at Chevrons)		
MODIFIED FUELING PATTERNS (based on 07/01/2022 - 06/30/2023 data)		
Gallons Yearly	630,521.07	
Gals @ Chev/Tex Yearly	472,890.80	
Percentage at Chevron/Texaco	75%	
(Eliminate Shell & ExxonMobil Purchases)	17% Increase	
Chevron Cash Pricing (est.)	\$ 33,102.36	(based on 10c per gallon price difference offered at approx 70% of all Chevron stations in CA)
Large Fleet Rebate (15c first 12 mos)	\$ 70,933.62	
Tiered Rebate (6c after 12 months)	\$ 47,289.08	
CHEVRON 0094820 (5c)	\$ 262.32	(Based on Boyett Purchases ONLY)
CHEVRON 0099840 (5c)	\$ 299.27	(Based on Boyett Purchases ONLY)
CHEVRON 0095867 (5c)	\$ 250.96	(Based on Boyett Purchases ONLY)
CHEVRON 0096178 (5c)	\$ 245.99	(Based on Boyett Purchases ONLY)
CHEVRON 0371534 (5c)	\$ 555.16	(Based on Boyett Purchases ONLY)
CHEVRON 0308293 (5c)	\$ 252.10	(Based on Boyett Purchases ONLY)
CHEVRON 0098749 (5c)	\$ 233.30	(Based on Boyett Purchases ONLY)
CHEVRON 0376766 (5c)	\$ 144.72	(Based on Boyett Purchases ONLY)
CHEVRON 0376780 (5c)	\$ 158.63	(Based on Boyett Purchases ONLY)
TOTAL SAVINGS PER YEAR	\$ 106,438.44	
UNCONFIRMED POTENTIAL ADD'L DISCOUNTS	\$ 10,398.49	(annually)
**Price quotes DO NOT reflect station specific discounts based on fuel purchases on ComData account		
**Price quotes DO NOT reflect Direct Deposit Early Payment Discounts which would add (approximately) an additional \$720 to \$4,680 annually		



BUSINESS CARD PROGRAM

Some details about us:

WEX Inc

WEX first began under the name Wright Express in 1983 out of downtown Portland, ME, where the company continues to maintain its headquarters today. WEX actually invented the first modern day fleet cards, creating their own niche market by providing payment security, cost management and fueling convenience specifically for businesses that operated fleets.

Today, WEX is a multinational and publicly traded corporation with a wide array of products servicing multiple industries which have all been built on the foundation laid from its early fleet card success. WEX provides the highest level of payment security available in the fueling marketplace to deliver its customers and business partners the peace of mind they crave when entrusting others with company finances. WEX has partnered with more than 100 major national fuel retailers, like Chevron, to provide fleet card programs and payment processing services on their behalf. It's fair to say that WEX is clear and away the trusted source within the fuel industry.

We encourage you to please speak with your **VIP Account Manager** about all of WEX's other products and services which are designed first and foremost to *simplify the business of running a business*.

Chevron

Chevron obviously needs no introduction, yet the prospect of earning your business and building a relationship with CalVans has San Ramon buzzing. Chevron has been a business partner of WEX since 2018 after moving their entire business card portfolio away from a previous underwriter. That a business of your size fuels so often and advocates so strongly on behalf of Chevron and Texaco locations is humbling and also encouraging.

Chevron station owners, district managers and the Corporate HQ have been (and are still) eagerly uniting to offer as much as they can muster to reward you with rebates for your business. Chevron's business cards already offer some of the friendliest discounts available in the fleet card industry and the custom station discounts being offered are *not* standard offerings. We are all excited by the prospect of working with CalVans.

In Summary

Chevron and WEX's joint-universally accepted business card program is renowned for providing some of the safest, most technologically advanced and smartest card programs available in 2023. That so many at CalVans embrace the secure, clean, friendly and reliable atmosphere which Chevron strives to provide is an honor we hope to always deliver on. **Please note, we intentionally provided price quotes that we believe are quite conservative compared with what you will experience should you move forward with a Chevron account.**

It has been a privilege being able to work with you all, and we cannot express enough our gratitude for the business you already bring to Chevron stations throughout CA and AZ. We are hopeful and remain positive that you will give the information we have presented to you here strong consideration. We are hopeful and remain positive that the information we have presented to you here will convince you to further grow your relationship with Chevron and WEX

[Chris, Dawn, Lamar and everyone at WEX + Chevron](#)



Chevron and Texaco Business Card Application

YES, I'm applying for the:

CHEVRON AND TEXACO ACCESS CARD:
Accepted at Chevron and Texaco locations,
as well as 95% of U.S. fuel stations.

4 Reasons to Choose the Chevron and Texaco Business Card Program

- **Security:** Driver ID number authorization at the pump, real-time fraud monitoring and alerts, and more
- **Spending and Control:** Manage spending by card or driver, restrict times of day or days of the week, and limit by product, type, location or amount
- **Account Management:** Easy online access and mobile app, online payments available
- **Customer Service:** 24/7 U.S.-based customer service and roadside assistance

PROMOTIONAL CODE:

Sales Rep Name

Sales Rep Title

Sales Rep Email

Sales Rep Phone #

OFFICE USE ONLY

Station or Group Code

Employee ID #

Card issuer is WEX Bank, member FDIC ("Card Issuer").

The Chevron and Texaco Business Card Program is administered by WEX Inc. and is not an obligation of Chevron U.S.A. Inc.

CHEVRON, the Chevron Logo, TEXACO, the Texaco Logo and TECHRON are registered trademarks of Chevron Intellectual Property LLC.

Business Information

*Legal Name of Business ("Business")

*Business Physical Address

*City

*State

*Zip Code

*Tax Payer Identification #

*Business Phone #

Business Fax #

*Standard Industry Classification (Ex: Construction - 1521)

*Years in Business

*Number of Vehicles

*Legal Structure (select one):

Corporation	Proprietorship	
Partnership	Government	
LLC	PC	PA

*Average Monthly Fuel & Service Exp.

*Gross Annual Revenue

Check here if business is exempt from motor fuels tax (sales representative will provide further details).

Personal Information

CREDIT DISCLOSURE: The undersigned applicant/buyer ("Applicant") represents that the information given in this application is complete and accurate and authorizes Issuer to check with credit reporting agencies, credit references and other sources disclosed to confirm information given, and to obtain one or more consumer credit reports on the individual submitting this application. Applicant requests a business charge account, if approved for credit, and one or more business charge cards from Issuer. Applicant agrees to the terms and conditions set forth in the Business Charge Account Agreement provided with this application and/or provided with the business charge card(s). Use of any card issued pursuant to this application confirms Applicant's agreement to said terms and conditions. By providing the phone numbers below, Applicant authorizes Issuer to contact Applicant at any of these numbers regarding this application or any account opened as a result of this application.

FEDERAL COMPLIANCE: Issuer complies with Federal law which requires all financial institutions to obtain, verify, and record information that identifies each company or person who opens an account. What this means for you: when you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents for your business.

Business Address = Home Address

*Residential Address Line 1

Residential Address Line 2

*Residential City

*Res. State

*Residential Zip Code

*Social Security Number

*Residential Phone Number

*Date of Birth

Billing Contact Information

*Billing Contact First Name

*Billing Contact Last Name

*Billing Contact Phone #

*Billing Contact Email Address

*Billing Address

*City

*Billing State

*Billing Zip Code

Business Authorization

By signing below, you represent and warrant that you are an owner, officer, or partner of the company with the authority to bind the company to the terms of this offer. You authorize Card Issuer to obtain one or more consumer credit reports on you, in connection with the initial underwriting and any subsequent administration or collection of a Business Charge Card Agreement. In the event your application is denied based on information in your credit report, you authorize the Card Issuer to report the reason for denial to you. You (i) acknowledge that you have read in full our Credit Disclosure and Terms & Conditions, including the Business Charge Card Agreement, above and agree that these terms shall govern your account; (ii) represent and warrant that the information provided is correct and that you are authorized to enter into this agreement on behalf of Company, and (iii) acknowledge that, if applicable, Card Issuer may honor account maintenance requests and other instructions from the sponsor of your card program which are made on your behalf.

Any use of credit offered by Issuer shall constitute acceptance by you on behalf of Company of the Terms & Conditions, including the Business Charge Card Agreement.

*Print First Name

*Print Last Name

*Email Address

X

*Authorized Person Signature

*Date

*Title of Authorized Person

President Vice President Treasurer Owner Partner

*Fields marked with an asterisk are required.

Additional Authorized User Contact Information

First Name

Last Name

Phone #

Email Address

Summary of Key Terms

CARD FEES

Set-up Fee	\$40
Monthly Card Charge	Up to \$2.00 per card
Replacement Card	Up to \$2.00 per card
International Currency Conversion Fee	2% of the total transaction value
Truck Stop Fee	\$1.25 per card swipe at a diesel pump
Reproduced Reports	\$25.00 per request
General Research Fee	\$15.00 per hour
Expedited Shipping Fees	Cost varies
Returned Payment Fee	\$50 per occurrence
Reactivation Fee	\$50 per occurrence (max monthly fee \$50.00)
Check Processing Service Fee	Up to \$25.00 per check
Phone Payment Service Fee	Up to \$35.00 per payment
Tax Reclamation Fee	Greater of 1% of the applicable retail purchase amount or \$10.00, but not to exceed \$100 per month
Paper Delivery Fee	\$10 per month for paper invoicing and reporting. Fee waived if you go paperless.
Late Fee	The greater of \$75 or 9.99% of the Total Outstanding Balance on the Calculation Date per month. (Late Fee is prorated for a billing cycle shorter than monthly.)
High Risk Credit Fee[†]	2% of monthly credit line (max of \$199)

Electronic Payments: We strongly encourage you to choose to receive billing statements electronically and make payments electronically to ensure that each payment posts by the **due date indicated on your invoice.**

Pricing for additional products and services is available upon request or reflected on the enrollment forms or in the terms of use that Business must agree to in order to receive the additional products and services.

Additional Terms

Application: By submitting this application, Business requests a business charge account and if approved for credit, one or more business charge cards for use by Business and its employees. The Card Issuer is WEX Bank.

Credit Terms: Business agrees to the terms and conditions set forth in the Business Cards Account Agreement provided with this application, upon request, and/or provided with the card(s). Use of any card issued pursuant to this application confirms Business's agreement to those terms and conditions.

Credit Reports: Card Issuer is authorized to obtain credit reports on Business and Guarantor from consumer reporting agencies and other providers, from time to time, that may be used in connection with (1) this application for credit, (2) extensions of credit on this account; and (3) the administration, review or collection of this account.

Other Information: Business and Guarantor authorize Card Issuer to obtain information from businesses where Business or Guarantor has or had accounts and any reference provided to Card Issuer. If requested, Business and Guarantor will provide Card Issuer with financial statements, including at minimum, a Balance Sheet and Income Statement for the last two years.

Other: Card Issuer may contact Business and individuals at any of the telephone numbers that have been provided. If the account is not paid as agreed, Card Issuer may report the liability of Business and any Guarantor to credit bureaus or others that may lawfully receive such information. In addition to the notice methods in the Business Charge Card Agreement, Business agrees that any notice or communication in connection with this application or the Business Cards Account Agreement may be sent by email to an email address provided on this application or another email address normally used by Business, and it shall be considered to be a "writing" and to be "signed" by the party transmitting it for all purposes.

[†] Assessed in the event Company is deemed "High Risk" as specified in the Card Program Terms and Conditions. The actual fee applied will be disclosed on the Company's billing statement.

Certification of Beneficial Ownership

I. GENERAL INSTRUCTIONS

What is this form?

Federal regulations now require **all banks** to verify the ownership of certain business types when they open a new account.

You will be asked to identify any beneficial owners of this business, plus one person with significant managing control. The required information includes Name, Address, Date of Birth, and Social Security Number (or Passport Number, in the case of foreign persons). The Bank may also ask to see a copy of a driver's license or other identifying document for each person listed on this form.

To learn more about this requirement: Visit wexinc.com/beneficial-ownership

To submit this information: Please return this completed form with your business application.

II. ACCOUNT OPEN INFORMATION

The person opening an account on behalf of this business must provide the following information:

Name of Person Opening Account

Title

Business Name

Physical Address of Business (No P.O. Boxes)

Legal Structure

If your legal structure is exempt (see list on right), check "Exempt" below and skip Sections III, IV and V.

Exempt

III. BENEFICIAL OWNERS

Identify **up to four** beneficial owners of this business, or individuals (if any) who own 25 percent or more of the equity interests. **If no individuals meet this definition, check "Beneficial Owner Not Applicable" below and skip this section.**

Beneficial Owner Not Applicable

All fields are required for each beneficial owner, except as noted below:

- **For persons with a Social Security Number (SSN):** Provide the SSN and leave Passport/Other Government ID # and Issuing Country blank.
- **For foreign persons without a SSN:** Leave SSN blank and provide a Passport Number (or Other Government ID #) and the Issuing Country.

Which businesses have to provide this information?

Required

The following legal entities must provide the requested information:

- Corporations
- Limited Liability Companies
- Partnerships
- Any other similar business entities formed in the United States or a foreign country.

Exempt

The following legal entities are exempt from this requirement:

- Non-Statutory Trust
- Bank/Bank Holding Co/Credit Union
- Federal/State/Local Government Agency or Authority
- Public Company and Majority Owned Affiliate
- Investment Company/Adviser
- Public Accounting Firm
- Insurance Company
- Non-Profits (Must identify a person with control. See Section IV)

NOTE: The following do not meet the definition of legal entity, and are not required to submit this form:

- Natural Person
- Sole Proprietorship
- Unincorporated Association

The info provided on this form is for validation or consumer verification only. It will not affect personal credit or imply liability.

Beneficial Owner 1

_____ First Name	_____ Residential Address (no P.O. Boxes)
_____ Last Name	_____ Address Line 2 (optional)
_____ Date of Birth (mm/dd/yyyy)	_____ City
_____ Social Security #	_____ State
_____	_____ Country of Residence
_____	_____ Postal Code

Beneficial Owner 2

_____ First Name	_____ Residential Address (no P.O. Boxes)
_____ Last Name	_____ Address Line 2 (optional)
_____ Date of Birth (mm/dd/yyyy)	_____ City
_____ Social Security #	_____ State/Province
_____	_____ Country of Residence
_____	_____ Postal Code

Beneficial Owner 3

_____ First Name	_____ Residential Address (no P.O. Boxes)
_____ Last Name	_____ Address Line 2 (optional)
_____ Date of Birth (mm/dd/yyyy)	_____ City
_____ Social Security #	_____ State/Province
_____	_____ Country of Residence
_____	_____ Postal Code

Beneficial Owner 4

_____ First Name	_____ Residential Address (no P.O. Boxes)
_____ Last Name	_____ Address Line 2 (optional)
_____ Date of Birth (mm/dd/yyyy)	_____ City
_____ Social Security #	_____ State/Province
_____	_____ Country of Residence
_____	_____ Postal Code

IV. PERSON WITH CONTROL

Identify one individual with significant responsibility for managing this business — for example, an executive officer, senior manager, or any other person who regularly performs similar functions. If appropriate, an individual listed as beneficial owner above must also be listed in this section. **If no beneficial owners are listed above, this information is still required.**

_____ First Name	_____ Residential Address (no P.O. Boxes)
_____ Last Name	_____ Address Line 2 (optional)
_____ Title	_____ City
_____ Date of Birth (mm/dd/yyyy)	_____ State
_____ Social Security #	_____ Country of Residence
_____	_____ Postal Code

V. CERTIFIED/AGREED TO

I, _____, hereby certify, to the best of my knowledge,
that the information provided above is complete and correct.

_____ Signature	_____ Date
--------------------	---------------

RETURN TO AGENDA

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IntelliShift

Renewal Proposal and Product Roadmap



CALIFORNIA VANPOOL AUTHORITY

Agenda

1. Feature matrix for expansion vehicles
Ford OEM vs IntelliShift
2. Q3 Incentive Pricing
3. IntelliShift emission and fuel roadmap
4. Analytics, benchmarking and integration
roadmap



Functionality and Feature Comparison Matrix

Telematics Feature and Supported Functionality	GenX6 Hardware, Garmin, Driver ID, Cameras	Ford OEM
Real Time Location and Direction of Travel	✓	✓
Speed	✓	✗
Ignition Status	✓	✗
Odometer	✓	✓
Emissions Data and Carbonfootprint Dashboards	✓	✗
On Demand Reports	✓	✓
Dashboards and Safety Scorecards	✓	✗
Update Frequency	60 Seconds**	120 Seconds**
Heartbeat	Daily	Daily
Supported Products		
SP Camera	✓	✗
Custom Cellular Based Driver ID	✓	✗
Garmin Integration	✓	✗
Fuel Management (Fuel Integration)	✓	✗
Vehicle Service	✓	Page 41 of 169
Fleet IQ	✓	✗

IntelliShift Q3 Incentive Pricing (48-Month Agreement)

Q3 Incentive:	Pricing Per Sub Tier 1 Incentive	Pricing Per Sub Tier 2 Incentive	
Products	Tier 1 (1k+ Subscriptions)	Tier 2 (1,250+ Subscriptions)	MSRP
SP Pro Telematics / GPS	\$18.50	\$16.00	\$22.50
Gamin Integration	\$2.50	\$2.50	\$4.00
Recurring Hardware Fee	\$4.00	\$4.00	\$5.00
SP Driver ID	\$1.50	\$1.50	\$3.99
SP Camera (Road Facing)	\$25.00	\$24.00	\$28.00
SP Connect (API Access for Integratio	\$0.00	\$0.00	\$1.99
Total:	\$51.50 (22% Discount)	\$48.00 (27% Discount)	\$65.48

Incentive Notes:

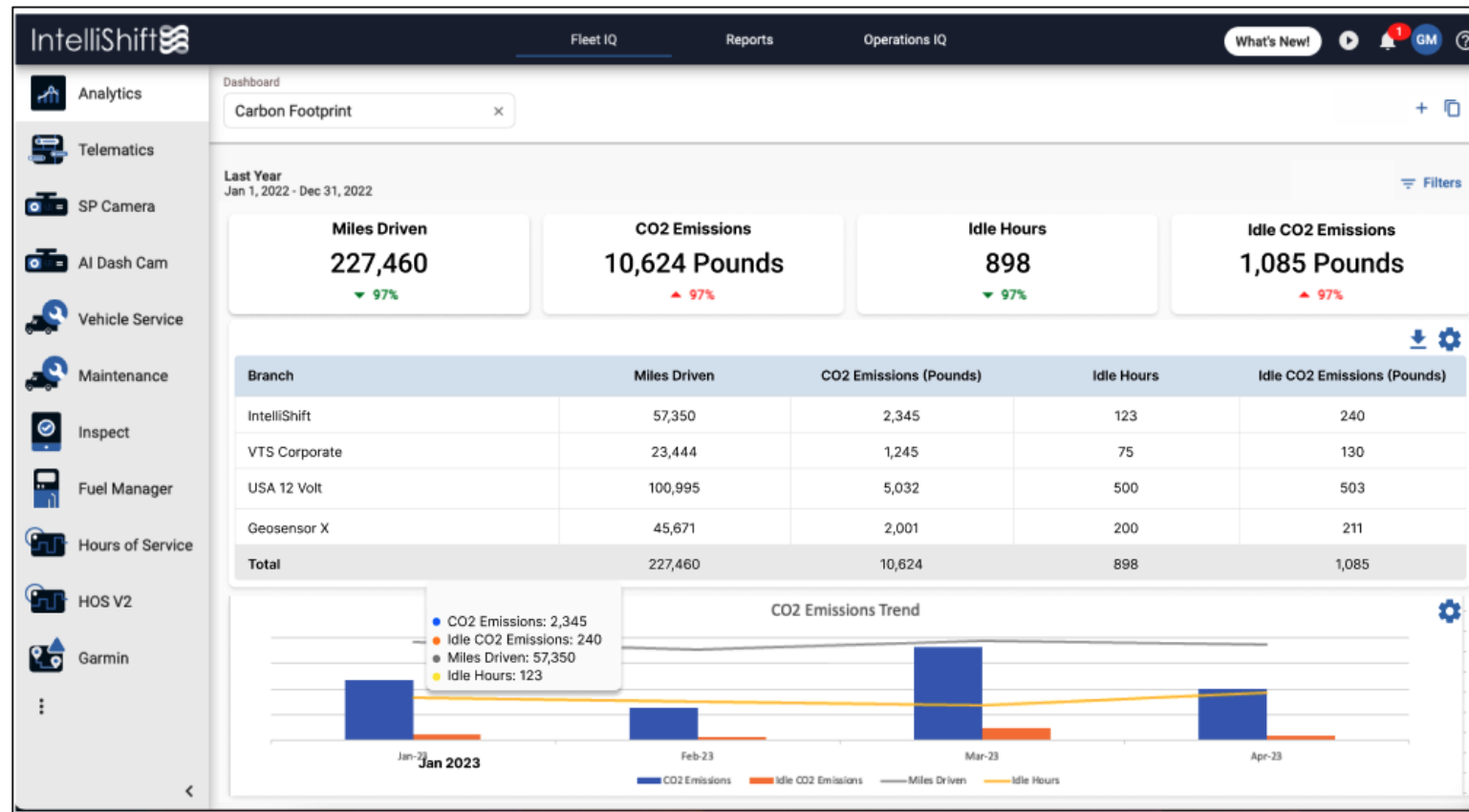
- Bill upon shipment of hardware. IntelliShift and CVP can work through a shipment schedule. All billing to commence no later than 12/1/2023
- IntelliShift to provide one-time onsite camera installation training (\$2,500 value). Can provide additional onsite installation training at cost
- IntelliShift to honor Garmin Hardware \$199.99 and Data Cable (\$70.00) pricing
- Remove one-time activation fee (\$25) from all new subscriptions (\$10,000 value)
- Provide SP Connect (API Access) at no-cost for Fleetio and ESRI related integrations

2023 Roadmap

Product Roadmap

Q4 Planned Analytics

- Enhanced asset detail to highlight specific wasted gallons of fuel per hour of idle based on VIN (Year/Make/Model)
- Carbon Footprint Dashboard given insight to emission-based & CO2 Idle data





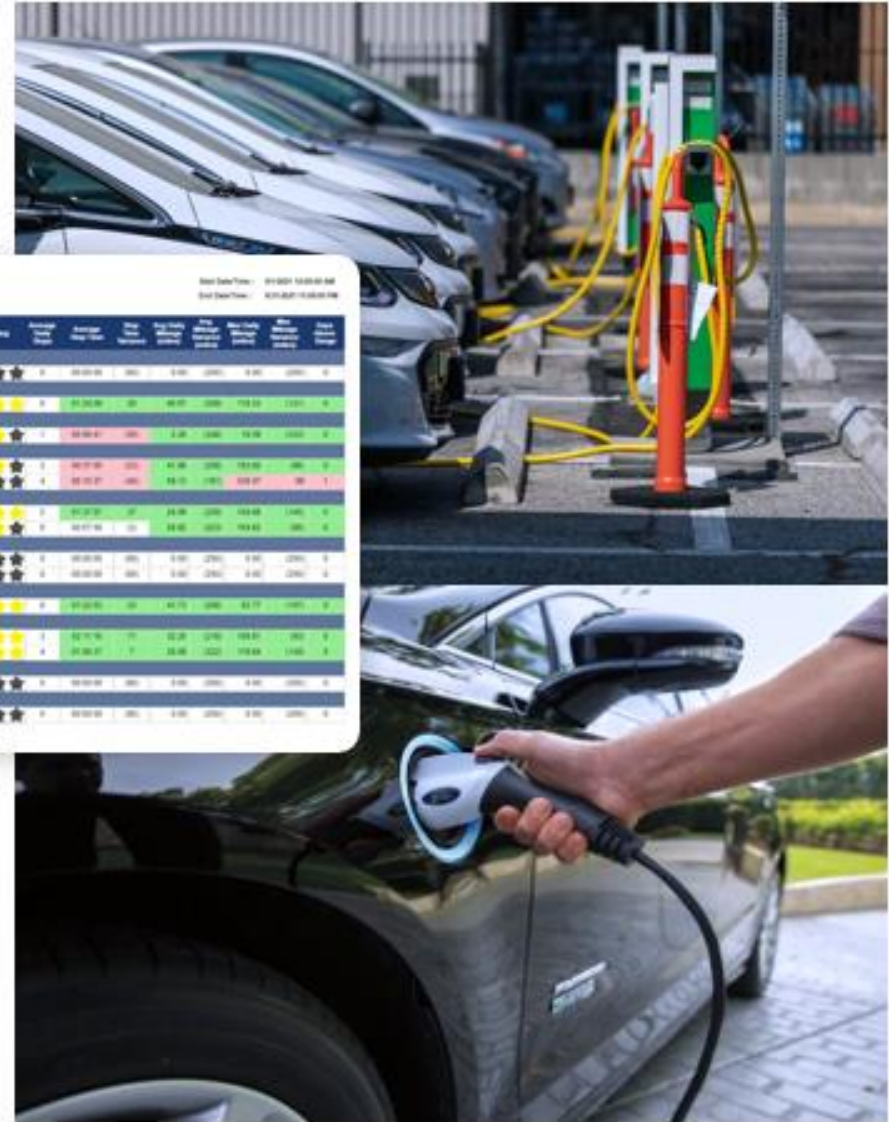
EV Support

Alternate Fuel Insight Reporting

- Help you identify what vehicles in your fleet are optimal to convert to an EV
- Suggestive fleet make up to optimize your fleet operation

Future Proof Hardware

- IntelliShift hardware supports EV today with the same hardware so you can switch to EV when ready!



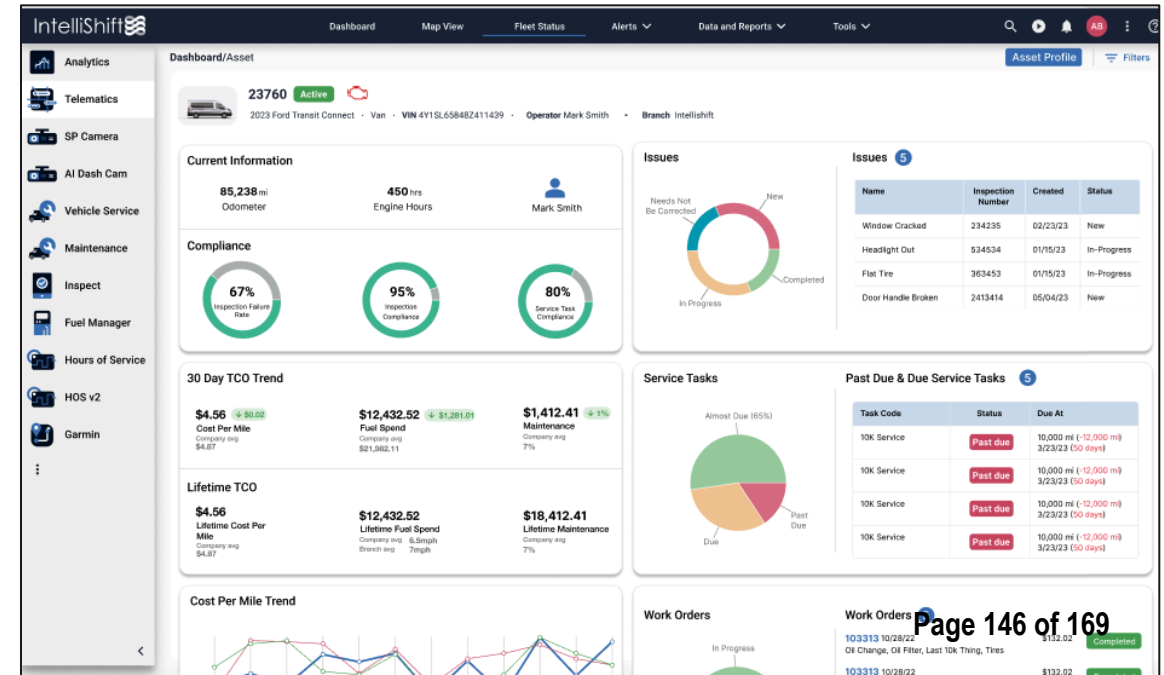
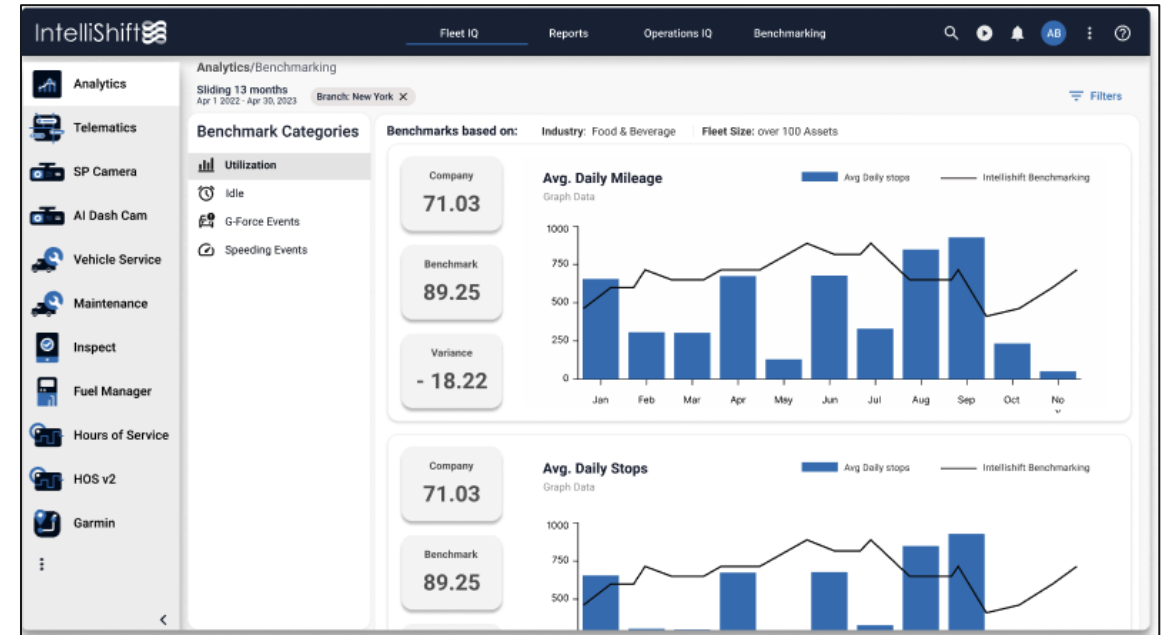
Alternate Fuel Insights Report for VYS Corporate

Asset Name	Make / Model	Rating	Annual Fuel Cost	Annual Fuel Cost (EV)	Annual Fuel Cost (Hybrid)	Annual Fuel Cost (CNG)	Annual Fuel Cost (LPG)	Annual Fuel Cost (Propane)	Annual Fuel Cost (Natural Gas)	Annual Fuel Cost (Solar)	Annual Fuel Cost (Wind)	Annual Fuel Cost (Geothermal)	Annual Fuel Cost (Nuclear)	Annual Fuel Cost (Biomass)	Annual Fuel Cost (Tidal)	Annual Fuel Cost (Wave)	Annual Fuel Cost (Fusion)
EV Fleet Summary																	
Asset 1	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
EV Fleet Summary																	
Asset 2	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
EV Fleet Summary																	
Asset 3	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
EV Fleet Summary																	
Asset 4	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
EV Fleet Summary																	
Asset 5	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
EV Fleet Summary																	
Asset 6	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
EV Fleet Summary																	
Asset 7	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
EV Fleet Summary																	
Asset 8	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
EV Fleet Summary																	
Asset 9	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
EV Fleet Summary																	
Asset 10	2021 Tesla Model S	★★★★	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200

2023 Roadmap

Q4 Planned Analytics

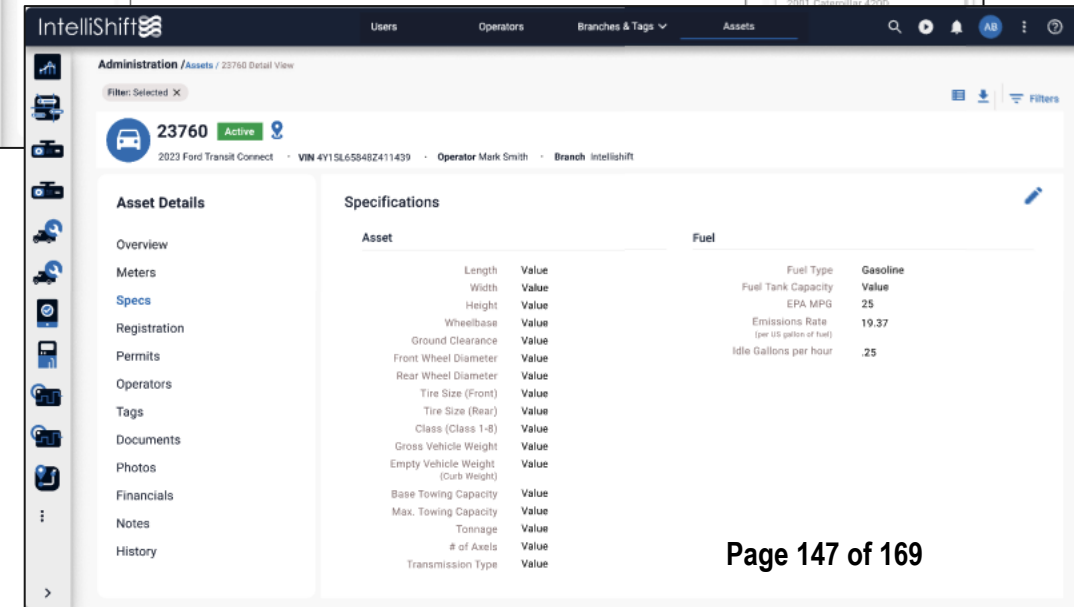
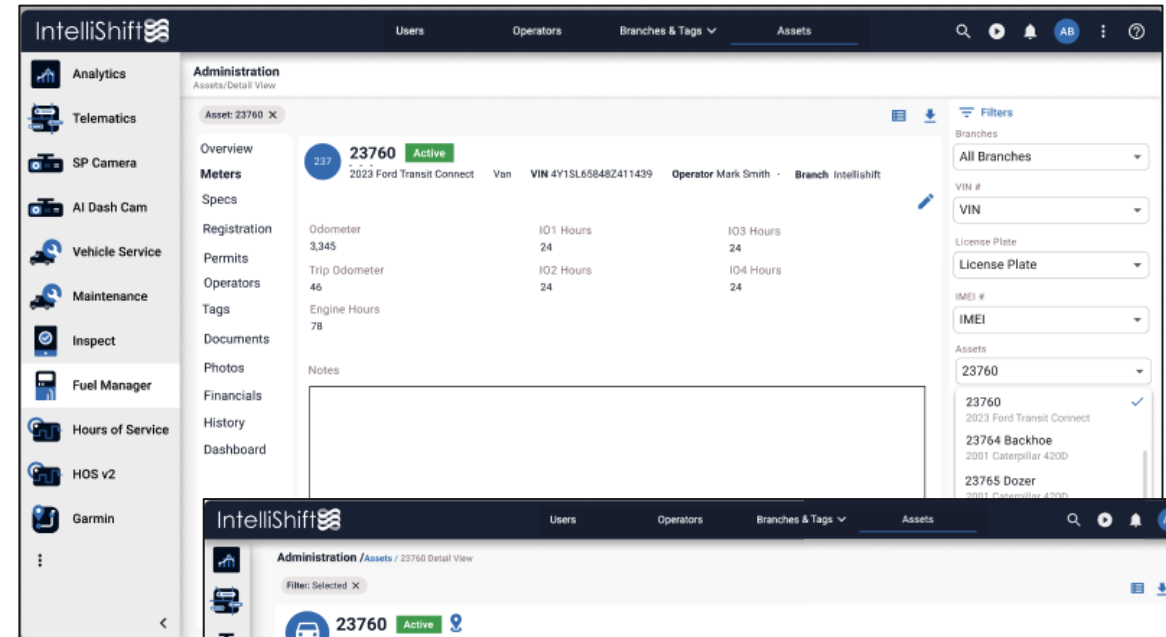
- Various new reports
- Benchmarking vs other fleets your size
- Asset & Operator Dashboards



2023 Roadmap

Q4 Planned UX/UI updates

- Asset Profile detail page
- Enhanced asset detail and file import capabilities
- Update remaining legacy pages
- New training guides and videos



2023 Roadmap

Q3 & Q4 Planned Integrations

- Enhanced Fleetio Integration
- Penske (Inspect Issues)
- Launch of Viewpoint Vista
- Enhanced VIN decoding



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California Vanpool Authority



2023 Legislative Retreat Summary & Action Items from Board Meeting

California Vanpool Authority

2023 Revised Mission & Vision Statement

Existing Mission

To advance our states workforce to attain self-sufficiency by removing transportation barriers.

Revised Mission

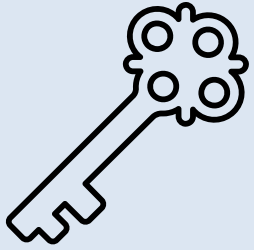
The Mission of the California Vanpool Authority is to provide sustainable, clean, safe and reliable mobility options to workforce groups.

Existing Vision

To provide transparent, zero-emission, sustainable, performance-driven and non-traditional transit for all Californians.

Revised Vision

To provide zero-emission, sustainable, telemetric-driven mobility options for primarily rural essential workforce groups.



Key Takeaways

Short Term Goals
(1-2 years)

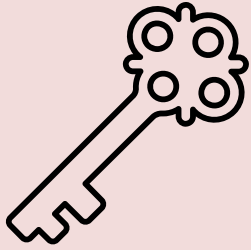


01 100% CalVans
Driver safety
record

02 Increase CalVans'
Brand awareness

03 Hold Ribbon
cutting event for
EV Van delivery

04 Promote van
donation program
with agency
partners



Key Takeaways

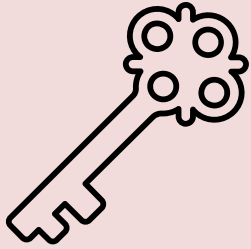
Short Term Goals
(1-2 years)

Marketing Action

05 Reach out to food processing locations

06 Increase the “in District” state and federal elected official office relationships (including attendance at local events)

07 Recognize customers and drivers through recognition awards at stakeholder meeting—Driver of the Year, Partner of the Year



Key Takeaways

Short Term Goals
(1-2 years)

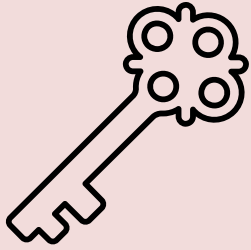
Marketing Action



08

Strengthen collaborations with stakeholder's public and private sector

- a) Strengthen relationships with the employers as potential advocates in DC and Sacramento
- b) Work directly with COGs, CAG's and transit districts to understand CalVans as a non-threat.

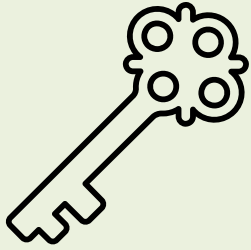


Key Takeaways

Short Term Goals
(1-2 years)

Marketing Action

- 09** Improve federal and state advocacy efforts
- a) Get funding
 - b) Increase funding
 - c) Identify new funding pots
 - d) Legislative protection/carve out



Key Takeaways

Short Term Goals
(1-2 years)

Legislative Action



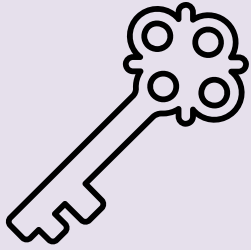
10 Work on state bond funding

11 Participate in state hearings for bills directly

12 Advocacy meeting timing February 8th Retreat/Legislative Day in Sacramento

(invite strategic partners to cosponsor/cohost event)

13 Review/change stakeholder meeting suggesting December 14th Stakeholder meeting and Board meeting in Visalia.



Key Takeaways

Short Term Goals
(1-2 years)

*Organizational
Action*

14 Benchmark the performance of the new EV fleet

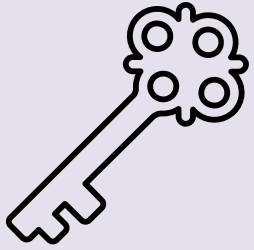
15 Adopt a reserves policy

16 Create/update on-boarding effort for Board members and alternates

17 Create CalVans yearly calendar include dates for Board meetings and special events as well as housekeeping dates such as distribution of Board packets, reports, audits, etc.

18 On-time audits

19 On-time annual report



Key Takeaways

Short Term Goals
(1-2 years)

*Organizational
Action*



20 Develop and adopt “out of state van policy”

21 Continue to partner with affordable housing communities

22 Create JPA partner policies and expectations

17 Increase staffing and staff capacity to support growth of organization

18 Mitigate risk and strengthen risk management

California Vanpool Authority *Statewide Office Map*

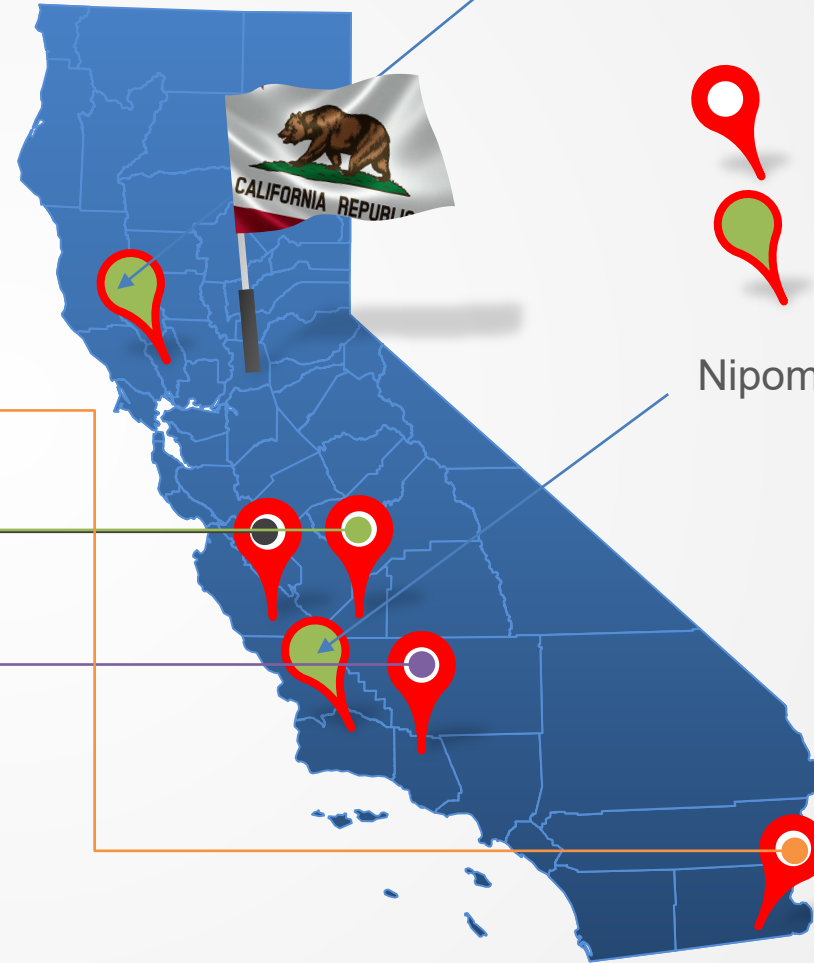


King City, Monterey ●

Armona, Kings ●

Santa Paula, Ventura ●

El Centro, Imperial ●



St. Helena, Napa



Nipomo, San Luis Obispo



Physical office location

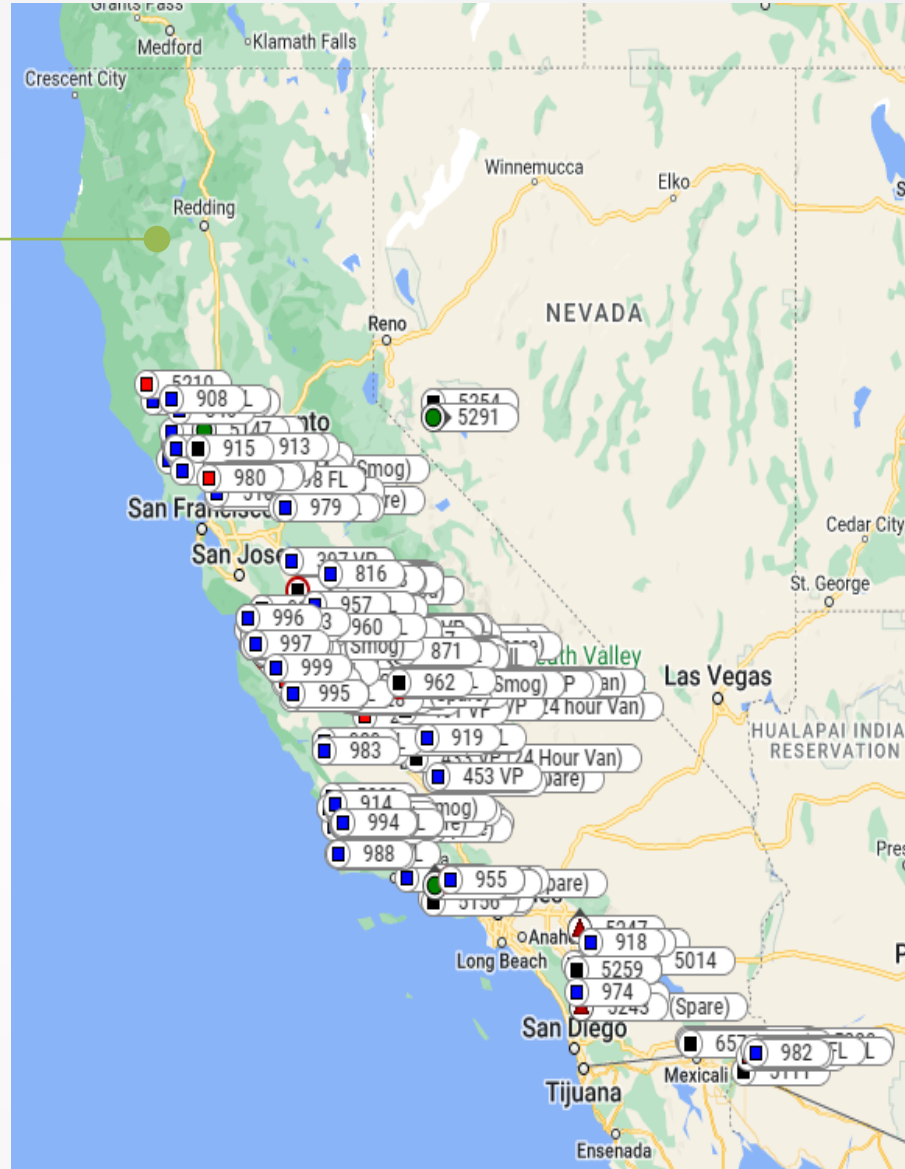
Yard location



CalVans State Map



Future Expansion



Short Term Goals (1-2 years):

- 1) 100% CalVans Driver safety record.
- 2) Increase CalVans' Brand awareness.
- 3) Hold Ribbon cutting event for EV Van delivery.
- 4) Promote van donation program with agency partners.
- 5) Marketing activity: Reach out to food processing locations.
- 6) Increase the "in District" state and federal elected official office relationships (including attendance at local events)
- 7) Recognize customers and drivers through recognition awards at stakeholder meeting—Driver of the Year, Partner of the Year
- 8) Strengthen collaborations with stakeholder's public and private sector
 - a) Strengthen relationships with the employers as potential advocates in DC and Sacramento
 - b) Work directly with COGs, CAG's and transit districts to understand CalVans as a non-threat.
- 9) Improve federal and state advocacy efforts.
 - a) Get funding
 - b) Increase funding
 - c) Identify new funding pots
 - d) Legislative protection/carve out
- 10) Work on state bond funding.
- 11) Participate in state hearings for bills directly.
- 12) Advocacy meeting timing February 8th Retreat/Legislative Day in Sacramento (invite strategic partners to cosponsor/cohost event)
- 13) Review/change stakeholder meeting suggesting December 14th Stakeholder meeting and Board meeting in Visalia.
- 14) Benchmark the performance of the new EV fleet.
- 15) Adopt a reserves policy.
- 16) Create/update on-boarding effort for Board members and alternates
- 17) Create CalVans yearly calendar include dates for Board meetings and special events as well as housekeeping dates such as distribution of Board packets, reports, audits, etc.
- 18) On-time audits & Annual report
- 19) Develop and adopt "out of state van policy"
- 20) Continue to partner with affordable housing communities.
- 21) Create JPA partner policies/expectations.
- 22) Increase staffing and staff capacity to support growth of organization.
- 23) Mitigate risk and strengthen risk management.

Longer Term Goals (3+ years):

- 1) Ensure a stable and positive financial return to member agencies and the public.
- 2) Empower and benefit the individuals we serve as drivers and customers.
- 3) Support California agriculture and other industries with safe transportation.
- 4) CalVans to continue be a leader in zero-emissions statewide.
- 5) Provide safe, reliable, and affordable transportation.
- 6) Benefit the environment by reducing carbon emissions.
- 7) Continue to report on stable, positive vehicle miles.
- 8) Mitigate risk and strengthen risk management –keep claims low
- 9) Create an Advisory Board.
- 10) Support thoughtful growth.
- 11) Create permanent CalVans headquarters and facilities.
- 12) Have appropriate staffing levels.
- 13) Pursue funding that is niche enough that CalVans/non-standard workforce can serve—as un-met transit need.
- 14) Continue to explore the feasibility of hydrogen especially if EV does not work out.
- 15) Continue to partner with affordable housing communities.

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CalVans Board of Directors

As a Joint Powers Authority public transportation agency, sponsored by the California Vanpool Authority, CalVans comprises several local transportation planning agencies. Each agency appoints an elected representative to preside on the CalVans Board and represent their area. Board members serve as local representatives, providing input and direction to the Agency.

OUR MISSION, VISION AND CORE VALUES

Our Mission and Vision statements are guided by the adaptation in our great state's workforce transportation needs and the ongoing goals to evolve into a highly functional zero-emission fleet.

► MISSION

The Mission of the California Vanpool Authority is to provide sustainable, clean, safe, and reliable mobility options to workforce groups.

► VISION

To provide zero-emission, sustainable, telemetric-driven mobility options for primarily rural essential workforce groups.

► CORE VALUES

Our Core Values guide our mission internally and externally. Our Core Values guide agency employees on how we treat each other as well as how we interact with our communities, partners, and vendors.

Our Core Values provide clear guidance and represent what we should expect of ourselves as well as our colleagues:

- Innovation: We consistently look for opportunities to go beyond the status quo and are committed to ongoing learning and development.
- Integrity and Accountability: We believe in always doing right, for the right reason and align our policies and practices to provide genuine opportunities to participate and thrive.
- Respect, Equity and Inclusion: We value and celebrate each other and our differences with equal worth.
- Service-Focused Teamwork: We exist to serve our community and each other.

► ABOUT CALVANS

With a fleet of close to 1,000 vanpool vehicles eliminating 113 million passenger trips annually, CalVans operates one of the largest public transportation programs in the state of California with an emphasis on the safety of passenger transportation in agriculture. The fleet includes 908 15-passenger and 89 8-passenger vehicles. CalVans is committed to securing a zero-emission fleet by 2025.

► CALVANS MEETINGS

The California Vanpool Authority (d.b.a. CalVans) is governed by a Board of Directors. Each of CalVans' 11 member agencies appoints one elected official from its governing body to serve on the Board of Directors and a second to serve as an alternate member. The Board of Director's meet monthly on the second Thursday of each month at 10:00 a.m..

BOARD OF DIRECTORS

PRIMARY	ALTERNATE	AGENCY
1) Steve McShane – Chair	Scott Funk	(AMBAG) Association of Monterey Bay Area Governments
2) Robert Poythress - Vice Chair	Jose Rodriguez (02/10/21)	(MCTC) Madera County Transportation Commission
3) James Horn (04/07/2023)	Brandon Purcell, Jr.(04/07/23)	(Fresno COG) Fresno Council of Governments
4) Ana Beltran (11/02/22)	Maria Nava-Froelich (11/02/22)	(ICTC) Imperial County Transportation Commission
5) Paul Llanez (01/23/23)	Pat Nagy (01/23/23)	(MCAG) Merced County Association of Governments
6) Joey DeConinck	<i>Vacant</i>	(RCTC) Riverside County Transportation Commission
7) Bob Nelson (03/01/23)	Ariston Julian (03/01/23)	(SBCOG) Santa Barbara County Association of Governments
8) Miguel Villapudua (08/24/24)	<i>Vacant</i>	(SJCOG) San Joaquin Council of Government
9) Javier Lopez (02/18/22)	Buck Condit (02/18/22)	(StanCOG) Stanislaus Council of Governments
10) Kellie Carrillo (10/21/22)	Liz Wynn (07/18/23)	(TCAG) Tulare County Association of Governments
11) Jim White	Mike Johnson (02/07/23)	(VCTC) Ventura County Transportation Commission

Primary Board Members

1. Steve McShane, Councilmember, City of Salinas
(AMBAG) Association of Monterey Bay Area Governments,
CalVans JPA Chair
200 Lincoln Avenue
Salinas, CA 93901
(831) 455-1876
president@salinaschamber.com
2. Robert Poythress, Councilmember, City of Madera
(MCTC) Madera County Transportation Commission
CalVans JPA Vice-Chair
2001 Howard Rd, Suite 201
Madera, CA 93637
(559) 664-9222
Robert.Poythress@maderacounty.com
3. James Horn, Mayor, City of Coalinga
(Fresno COG) Fresno Council of Governments
2035 Tulare St, Suite 201
Fresno, CA 93721
(559) 233-4148
jhorn@coalinga.com
www.fresnocog.org
4. Ana Beltran, Councilmember, City of Westmorland
(ICTC) Imperial County Transportation Commission
1503 N. Imperial Ave., Suite 104
El Centro, CA 92243
(760) 960-5884
abeltran@cityofwestmorland.net
5. Paul LLanez, Mayor, City of Los Banos
(MCAG) Merced County Association of Governments
520 J Street
Los Banos, CA 93635
(209) 827-2430
paul.llanez@losbanos.org
6. Joey DeConinck, Mayor, City of Blythe
(RCTC) Riverside County Transportation Commission 11200
W 14th Ave
Blythe, CA 92225
(760) 921-8543
joeydeconinck@gmail.com
7. Bob Nelson, Supervisor 4th District, Santa Barbara County
(SBCAG) Santa Barbara County Association of Governments
100 E. Locust Avenue, Suite 101
Lompoc, CA 93436
(805) 961-8911
bob.nelson@countyofsb.org
8. Miguel Villapudua, Councilmember, County of San Joaquin
(SJCOC) San Joaquin Council of Government
44 N. San Joaquin Street, Suite 627
Stockton, CA 95202
(209) 468-3113
mvillapudua@sigov.org
www.sjcog.org
9. Javier Lopez, Mayor, City of Ceres
(StanCOG) Stanislaus Council of Governments
2220 Magnolia St.
Ceres, CA 95307
(209) 222-7262
Javier.Lopez@ci.ceres.ca.us
10. Kellie Carrillo, Vice Mayor, City of Porterville
(TCAG) Tulare County Association of Governments
291 N. Main St.
Porterville, CA 93257
(559) 789-5270
kelliecarrillo@portervilleca.gov
11. Jim White, Citizen Representative
(VCTC) Ventura County Transportation Commission
848 Danbury Ct,
Ventura, CA 93004
(805) 804-7404
jwhite51050@gmail.com

Alternate Board Members

- 1) Scott Funk, Mayor, City of Gonzalez
(AMBAG) Association of Monterey Bay Area Governments
200 Lincoln Avenue
Salinas, CA 93901
(831) 675-5000
ScottFunk3755@yahoo.com
- 2) Jose Rodriguez, Councilmember, City of Madera
(MCTC) Madera County Transportation Commission
205 W. 4th Street
Madera, CA 93637
(559) 661-5405
jrodriguez@madera.gov
jrodriguez@cityofmadera.com
- 3) Brandon Pursell, Jr., City of Kingsburg, Mayor Pro Temp
(Fresno COG) Fresno Council of Governments
2035 Tulare St, Suite 201
Fresno, CA 93721
(559) 233-4148
bpursell@cityofkingsburg-ca.gov
- 4) Maria Nava-Froelich, Councilmember, City of Calipatria
(ICTC) Imperial County Transportation Commission
1503 N. Imperial Ave., Suite 104
El Centro, CA 92243
(760) 550-2608
marianavafroelich@gmail.com
mnavafroelich@calipat.com
- 5) Pat Nagy, Mayor, City of Gustine
(MCAG) Merced County Association of Governments
352 5th Street
Gustine, CA 95322
(209) 827-2430
pnagy@cityofgustine.com
- 6) **Vacant**
(RCTC) Riverside County Transportation Commission
4080 Lemon Street, 3rd Floor
Riverside, CA 92501
(951) 787-7141
www.rctc.org
- 7) **Vacant**
(SJCOG) San Joaquin Council of Government
44 N. San Joaquin Street, Suite 627
Stockton, CA 95202
(209) 468-3113
www.sjcoq.org
- 8) Ariston Julian, Mayor, City of Guadalupe
(SBCAG) Santa Barbara County Association of Governments
918 Obispo Street
Guadalupe, CA 93434
(805) 356-3891
Ariston.julian3@icloud.com
- 9) Buck Condit, Supervisor District 1, County of Stanislaus
(StanCOG) Stanislaus Council of Governments
1010 10th St.
Modesto, CA 95354
(209) 525-4440
conditb@stancounty.com
- 10) Liz Wynn, Councilmember, City of Visalia
(TCAG) Tulare County Association of Governments
210 N. Church St. Suite B
Visalia, CA 93291
(559) 623-0450
Liz.wynn@visalia.city
tcaginfo@tularecag.ca.gov
12. Mike Johnson, Councilmember, City of Ventura
(VCTC) Ventura County Transportation Commission
848 Danbury Ct
Ventura, CA 93004
(805) 515-6839
mike.johnson@cityofventura.ca.gov

CalVans Administrative Staff

Georgina Landecho, Executive Director & Board Secretary
530-383-9348 Cell
georgina.landecho@co.kings.ca.us

Gabriela Pacheco, Transit Coordinator – Central Valley
530-723-8071 Cell
gabriela.pacheco@co.kings.ca.us

Monica Sarzi, Interim Office Manager & Board Clerk
559-836-2304 Cell
monica.sarzi@co.kings.ca.us

Carmen Mora, Transit Coordinator – Imperial, Yuma & Riverside
831-214-9176 Cell
carmen.mora@co.kings.ca.us

Teresa Rodriguez, Transit Coordinator – North Coast
559-572-6110 Cell
Teresa.Rodriguez@co.kings.ca.us

Tomas Hernandez, Transit Coordinator – South Coast
805-218-2752 Cell
tomas.hernandez@co.kings.ca.us

CalVans Attorney

Kahn Soares & Conway, LLP
219 N Douty St, Hanford, CA 93230
(559) 584-3337
dkahn@kschanford.com

Agenda's

Board Agendas, and notifications are published on our website and can be found here. <https://calvans.org/agenda-items>

CalVans Board Roll Call

Roll Call – In alphabetical order by area of representation.

	Area of Representation	Primary Board Director	Alternate Board Director
1	AMBAG	Steve McShane	Scott Funk
2	Fresno COG	James Horn	Brandon Purcell, Jr
3	ICTC	Ana Beltran	Maria Nava-Froelich
4	MCAG	Paul Llanez	Pat Nagy
5	MCTC	Robert Poythress	Jose Rodriguez
6	RCTC	Joseph DeConinck	<i>Vacant</i>
7	SBCAG	Bob Nelson	Ariston Julian
8	SJCOG	Miguel Villapudua	<i>Vacant</i>
9	StanCOG	Javier Lopez	Buck Condit
10	TCAG	Kellie Carrillo	Liz Wynn
11	VCTC	James White	Mike Johnson

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CALIFORNIA VANPOOL AUTHORITY 2023 MEETING CALENDAR

January						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
*22	23	24	25	26	27	28
29	30	31				

February						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	*24	25	26	28	28	29
30						

May						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	*19	20	21	22	23	24
25	26	27	28	29	30	

July						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	*22	23
24	25	26	27	28	29	30

October						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

CalVans Board of Directors meet the second Thursday of the month at 10:00 A.M.

Holidays- All CalVans offices closed. *Effective January 1, 2023, the Governor proclaimed the following floating/personal holidays.

End