

NEVADA COUNTY TRANSPORTATION COMMISSION

Audited Financial Statements
Supplementary Information and Compliance Reports

June 30, 2023

(This page intentionally left blank.)

NEVADA COUNTY TRANSPORTATION COMMISSION

Audited Financial Statements, Supplementary Information and Compliance Reports

June 30, 2023

Financial Section

Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	4

Government-wide financial statements

Statement of Net Position	18
Statement of Activities.....	19

Fund Financial Statements:

Governmental Fund:	
Balance Sheet – Governmental Funds	20
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Funds to the Statement of Activities	25
Notes to the Financial Statements	26

Required Supplementary Information

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Planning Fund.....	35
---	----

Supplementary Information

Schedule of Allocations and Expenditures – Local Transportation Fund	36
Schedule of Allocations and Expenditures – State Transit Assistance Fund.....	37
Schedule of Allocations and Expenditures – State of Good Repair	38

Compliance Reports

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 <i>Government Auditing Standards</i> , the Transportation Development Act and Other State Program Guidelines	39
--	----

(This page intentionally left blank.)



550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
Fax: (916) 564-8728

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Nevada County Transportation Commission
Nevada City, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Nevada County Transportation Commission (the Commission) as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Commission as of June 30, 2023 and the respective changes in financial position, then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Correction of Error

As discussed in Note I, correction of an error was made during the current year. Accordingly, adjustments have been made to Net Position and RTMF Fund Balance as of July 1, 2022 to correct this error.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Nevada County Transportation Commission 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

To the Board of Directors
Nevada County Transportation Commission

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

To the Board of Directors
Nevada County Transportation Commission

and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024 on our consideration of the Commission'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, including the Transportation Development Act and other state program guidelines. 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 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 Commission's internal control over financial reporting and compliance.

Richardson & Company, LLP

March 28, 2024

(This page intentionally left blank.)

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

This section of Nevada County Transportation Commission's (NCTC) basic financial report presents management's overview and analysis of the financial activities of NCTC for the fiscal year ended June 30, 2023. We encourage the reader to consider the information presented here in conjunction with the basic financial statements as a whole.

NCTC is a Regional Transportation Planning Agency (RTPA) created pursuant to Title 7.88 of the State of California Government Code, Section 67920. As the RTPA for Nevada County, NCTC coordinates transportation planning for Grass Valley, Nevada City, Nevada County, and the Town of Truckee.

The mission of the Nevada County Transportation Commission is to plan, communicate and coordinate with the citizens and decision-makers of Grass Valley, Nevada City, Nevada County, the Town of Truckee and with Caltrans to identify transportation needs, propose solutions, and assist in implementing projects to create a balanced regional transportation system, while protecting the rural qualities and historic character of Nevada County.

FINANCIAL HIGHLIGHTS

- Total Assets \$19,332,331
- Total Liabilities \$5,162,096
- Total Net Position \$13,720,235
- Total Revenues \$9,270,121
- Total Expenses \$6,638,911

Please refer to the Financial Analysis section of this discussion and analysis for further information on these items.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the NCTC's basic financial statements, which are comprised of three components including government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary information and other supplementary information which presents NCTC's schedule of allocations and expenditures and report on the Overall Work Program.

The Basic Financial Statements include two kinds of statements that present different views of NCTC's financial position and activity.

- The first two statements are *Government-wide* financial statements that provide both *long-term* and *short-term* information about NCTC's overall financial status.
- The remaining statements are *Fund* financial statements that focus on individual parts of NCTC's organization. These statements report NCTC's financial position and activity in detail by each fund.

The financial statements also include notes that explain in more detail some of the information in the financial statements.

The RSI or Required Supplementary Information includes budgetary comparison information for NCTC's general fund.

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

Government-Wide Statements

The Government-wide statements report information about NCTC as a whole, using accounting methods similar to those used by private-sector companies. The statement of net position includes all of NCTC's assets and liabilities, including capital assets and long-term debt. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two Government-wide statements report NCTC's assets and liabilities and are one way to measure NCTC's health or position. Over time, increases or decreases in NCTC's net position are an indicator of whether its financial health is improving or deteriorating respectively.

Fund Financial Statements

The fund financial statements provide more detailed information about NCTC's funds. NCTC operates with six governmental funds, five of which qualify as a major funds under criteria set by the Governmental Accounting Standards Board. Of the six governmental funds, NCTC also has five special revenue funds. These five funds represent funds managed by NCTC as administrator and planner for other governmental agencies. The Fund financial statements provide information for each of these funds. These statements provide a detailed short-term view and do not include information related to NCTC's capital assets or long-term liabilities. Additional information is provided on separate schedules that reconcile the differences between the government-wide financial statements and the fund financial statements.

FINANCIAL ANALYSIS OF NCTC'S FUNDS

Net Position/Fund Balance

The following table compares the Statement of Net Position/Fund Balance at June 30, 2023 and 2022:

**Condensed Statements of Net Position
Fiscal Years Ended June 30, 2023 and 2022**

	2023	2022	Increase (Decrease)	Percent Change
ASSETS				
Current and other assets	\$ 19,284,146	\$ 14,810,394	\$ 4,473,752	30.21%
Capital assets, net	48,185	73,536	(25,351)	-34.47%
Total assets	19,332,331	14,883,930	4,448,401	29.89%
LIABILITIES				
Current liabilities	228,888	436,009	(207,121)	-47.50%
Long-term liabilities:				
Due within one year	2,128,704	56,510	2,072,194	3666.95%
Due in more than one year	3,254,504	133,909	3,120,595	2330.38%
Total liabilities	5,612,096	626,428	4,985,668	795.89%
NET POSITION				
Net investment in capital assets	2,154	73,536	(71,382)	-97.07%
Restricted	13,835,280	14,183,966	(348,686)	-2.46%
Unrestricted	(117,199)	-	(117,199)	100.00%
Total net position	\$ 13,720,235	\$ 14,257,502	\$ (537,267)	-3.77%

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

Total Assets – The total assets at June 30, 2023 increased by \$4,448,401 compared to the fiscal year ended June 30, 2022. Increased assets in fiscal year 2022-23 are primarily attributable to 1) \$2,060,201 short-term LTF Capital Loan Repayment due from Nevada County Transit, received October 27, 2023, 2) FY 22/23 RSTP \$1,374,593 received late, so is included in due from other governments. Restricted cash increased \$729,339, mostly due to STA fund revenue exceeding allocations paid, and RTMF fees receivable increased \$267,007 due to increased development fees collected by the cities.

Total Liabilities – The total liabilities at June 30, 2023 increased by \$4,985,668 compared to the fiscal year ended June 30, 2022. The majority of the increase in long-term is due to 1) \$2,060,201 short-term Capital Loan due to Nevada County Transit, paid in July 2023, 2) \$3,113,700 long-term liability for RTMF Dorsey Drive recorded as liability starting in fiscal year 2022/23. See Note 1.

Net Position – Net position at June 30, 2023 decreased \$537,267. This change had to do with the fact that although Assets increased 30%, liabilities increased 796% with the addition of the RTMF long-term liability, see Note 1.

Changes in Net Position

A summary of NCTC's Statement of Net Position, recapping NCTC's revenues earned during the fiscal year ended June 30, 2023 and 2022, and the expenses incurred is as follows:

Condensed Statements of Activities Fiscal Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
REVENUES				
Program revenues:				
Operating grants	\$ 8,994,422	\$ 8,053,240	\$ 941,182	11.69%
General revenues:				
Interest	273,524	131,580	141,944	107.88%
Other revenues	2,175	-	2,175	100.00%
Total revenues	<u>9,270,121</u>	<u>8,184,820</u>	<u>1,085,301</u>	<u>13.26%</u>
EXPENSES				
Program expenses	<u>6,638,911</u>	<u>6,501,458</u>	<u>137,453</u>	<u>2.11%</u>
Total expenses	<u>6,638,911</u>	<u>6,501,458</u>	<u>137,453</u>	<u>2.11%</u>
Change in net position	<u>2,631,210</u>	<u>1,683,362</u>	<u>947,848</u>	<u>56.31%</u>
Net position - beginning of year (as previously reported)	14,257,502			
Restatement	<u>(3,168,477)</u>			
Net position - beginning of year (as restated)	<u>11,089,025</u>	<u>12,574,140</u>	<u>(1,485,115)</u>	<u>-11.81%</u>
Net position - end of year	<u>\$ 13,720,235</u>	<u>\$ 14,257,502</u>	<u>\$ (537,267)</u>	<u>-3.77%</u>

Total Revenues – Total revenues for the fiscal year ending June 30, 2023 increased by \$1,085,301 and is attributable to STA increased \$470,000 and is based on a portion diesel sales tax revenue which varies each year. RTMF increased \$270,000 and is the result of fees collected by the jurisdictions. RSTP which is

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

apportioned by CalTrans, increased \$229,000. Other funds varied less. Note that PPM revenue is recognized in the FY in which it is spent, accounting for a \$97,000 increase. Investment income on County pool increased by \$239,000. These increases were offset by a \$116,000 decrease in LTF.

Total Expenses – Total expenses for the fiscal year ending June 30, 2023 increased by \$137,453 due to consultant fees increased \$157,000 due to new consultants for RTMF Update, RTP Update, and Rural Induced Demand Studies. Also, salaries and benefits increased \$200,000. This was the first full year of wages NCTC's Deputy Executive Director who was hired April, 4, 2022. LTF and STA allocations increased by \$592,000. These increases were offset by a decrease of \$804,000 in RSTP and RTMF.

Change in Net Position – The Change in Net Position decreased by \$537,267 during the year ended June 30, 2023. The decrease is mainly due to Restatement of Net Position Beginning of Year, offset by current year net income of \$2,631,211. See Note 1.

NCTC operates a general fund that serves as the organization's operating fund and five special revenue funds that account for Local Transportation, State Transit Assistance, State of Good Repair, Regional Surface Transportation Program and Regional Transportation Mitigation Fee funds. Assets, liabilities and net position were as follows:

	Assets	Liabilities	Net Position/ Fund Balances
General Fund - Planning	\$ 751,581	\$ 200,983	\$ 550,598
Special Revenue Fund - Local Transportation	7,703,543	2,147,315	5,556,228
Special Revenue Fund - State Transit Assistance	5,054,020	-	5,054,020
Special Revenue Fund - State of Good Repair	27,905	27,905	-
Special Revenue Fund - RSTP	3,243,552	18,520	3,225,032
Special Revenue Fund - RTMF	2,752,211	143,032	(504,521)

Revenues, expenditures/expenses and changes in net position were as follows:

	Revenues	Expenditures/ Expenses	Transfers In/Out	Change in Net Position/ Fund Balances
General Fund - Planning	\$ 478,594	\$ 1,343,208	\$ 878,417	\$ 13,803
Special Revenue Fund - Local Transportation	4,913,550	4,019,707	(716,865)	176,978
Special Revenue Fund - State Transit Assistance	1,477,867	473,185		1,004,682
Special Revenue Fund - State of Good Repair	163,258	163,258		-
Special Revenue Fund - RSTP	1,417,994	595,314	(18,520)	804,160
Special Revenue Fund - RTMF	818,858		(143,032)	675,826

CAPITAL ASSETS

A recap of NCTC's capital assets at June 30, 2023 and the changes that occurred during the year is as follows:

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
DEPRECIABLE ASSETS				
Computer equipment	\$ 24,645	\$ 24,645	\$ -	0.00%
Right-to-use building	89,090	89,090	-	0.00%
Less: accumulated depreciation/amortization	(65,550)	(40,199)	(25,351)	63.06%
Capital assets - net	<u>\$ 48,185</u>	<u>\$ 73,536</u>	<u>\$ (25,351)</u>	<u>-34.47%</u>

Net capital assets in the fiscal year ending June 30, 2023 decreased by \$25,351 to account for depreciation. Additional information about NCTC's capital assets is provided in Note C of the Notes to Financial Statements.

BUDGETARY HIGHLIGHTS

NCTC annually adopts a budget through the preparation of an Overall Work Program (OWP). This work program describes the planning projects and activities or work elements that are to be funded, and the type of funds that will pay for the expenditures, such as Rural Planning Assistance (RPA) Formula Funds, RPA Grant Funds, Local Transportation Funds (LTF), Federal Transit Administration, and other funding. A Memorandum of Understanding (MOU) between NCTC, the Cities of Grass Valley and Nevada City, the Town of Truckee, and the County of Nevada provides for the coordination of regional transportation planning with local governments in Nevada County.

NCTC staff prepares a draft work program and in accordance with the MOU, solicits and integrates comments from each of the jurisdictions. The proposed work program is then submitted to NCTC for approval and forwarded to Caltrans for review and approval. The OWP budget reflects the ongoing regional transportation planning process in Nevada County. Comments and requests for planning assistance by each of the jurisdictions and Caltrans comments are incorporated in the elements and levels of funding as appropriate within funding constraints. The OWP is updated each year to report on the progress of identified projects, propose new or continuing projects for the ensuing year, and to provide an estimate of the required funding of the OWP elements. In fiscal year 2019, NCTC received national recognition for the framework and content of its OWP from the Federal Highway Administration and Federal Transit Administration in its "Noteworthy Practices" publication.

CALTRANS, as the grantor of Rural Planning Assistance and FTA funds, approves the OWP, which then becomes the budget basis for NCTC, which differs from the U.S. GAAP. In the current year, the budget includes certain Local Transportation Fund allocations that were reported as revenues, in the prior year on the U.S. GAAP basis but not fully expended (i.e., included in year-end fund balance). These revenues are designated by NCTC as carryover funding. The General Fund budget to actual schedule is located in the Required Supplementary Information section of the financial statements.

ECONOMIC CONDITIONS

NCTC considered many factors in developing the fiscal year 2022/23 budget. NCTC relies primarily on state and federal grants and the Local Transportation Fund (LTF) to fund the activities in the OWP. LTF is derived from a portion of the ¼ cent state tax dollars and is allocated to NCTC for planning and administrative activities. Local Transportation Funds are dependent on sales tax revenues, which are fueled by consumer spending. LTF revenue grew more than anticipated in fiscal year 2022/23. It appears the growth in sales tax revenues has flattened off and may be trending downward.

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

With the uncertainty related to the levels of future federal and state transportation revenues, regional coordination and assistance with transportation planning activities to identify needs, conduct planning, and secure funding to implement multimodal transportation improvements will continue to be necessary in the future as citizens and decision makers grapple with how to maintain and improve the transportation infrastructure.

During the fiscal year 2022/23, Caltrans RPA Grant funding was awarded to NCTC for both Rural Induced Demand Study and the Nevada County Fleet Electrification Study. The NCTC also applied for funding through the California Transportation Commission's (CTC) Trade Corridor Enhancement Program (TCEP) and the Solutions for Congested Corridors Program (SCCP) for the SR 49 Corridor Improvement Project, and the CTC's Local Transportation Climate Adaptation Program (LTCAP) funding for the SR 49 Grass Valley Wildfire Evacuation Route Project. The Town of Truckee also secured Local Partnership Competitive program funding for the Town of Truckee Railyard Transit Center. These funding opportunities are made available through the Senate Bill 1 funding programs.

The CTC at their June 28, 2023, meeting, officially awarded the Nevada County Transportation Commission (NCTC) \$14.6 million of Trade Corridor Enhancement Program (TCEP) funding for southbound improvements on the State Route 49 corridor between the McKnight Way Interchange and La Barr Meadows Road. At their December 6-7th 2023 meeting, the CTC approved the staff recommendations for LTCAP grant funding awards. Included as part of the approval of the LTCAP grant funding recommendation was \$35 million for NCTC's State Route 49 Grass Valley Wildfire Evacuation Route Project grant application.

On June 15, 2022, the Nevada County Transportation Commission, in coordination with Nevada County, Nevada City, and Grass Valley, and with the assistance of the transportation consulting firm GHD Inc., submitted Active Transportation Program (ATP) Cycle 6 grant applications for the State Route (SR) 49 Multi-modal Corridor Improvements (Nevada City/Nevada County) and the SR 174/49/20 Roundabout and Active Transportation Safety Project (Grass Valley). On December 7, 2022, the California Transportation Commission (CTC) awarded funding for Cycle 6 of the Active Transportation Program for both the Statewide Funding program component and the Small Urban & Rural Program component. NCTC was awarded funding for both grant applications submitted, totaling a combined \$19,302,000 in ATP funding. The *SR 49 Multi-modal Corridor Improvement Project* was recommended for \$13.8 million, and the *SR 174-49/20 Roundabout and Active Transportation Safety Project* was recommended for \$5.4 million.

NCTC will continue sound fiscal management, financial planning, budgeting, and internal financial controls as the responsible agency for coordinating regional transportation planning and programming and administration of certain local, state, and federal transportation funding for Nevada County.

OVERAL WORK PROGRAM

NCTC annually adopts a budget through the preparation of an overall work program. This work program describes the projects or work elements that are to be funded, and the type of funds that will pay for the expenditures, such as Rural Planning Assistance, Local Transportation, or Federal Transportation Administration (FTA). The work program, in draft form, is prepared by NCTC staff, submitted and approved by NCTC, and submitted to the State of California, Department of Transportation (CALTRANS) before June 30. CALTRANS, as the grantor of Rural Planning Assistance and FTA funds, approves the work program, which then becomes the budget basis which differs from U.S. GAAP. In the current year, the budget includes certain Local Transportation Fund allocations that were reported as revenues, in the prior year or on the U.S. GAAP basis but not spent (i.e., included in fund balance). These revenues are designed by NCTC as carryover funding.

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023



Nevada County Transportation Commission Final Statement of Expenditures by Work Element July 1, 2022 to June 30, 2023 P13

Year to Date Expenditures by Fund Source

Work Element Number or Title	Percentage of Budget Expended	Product: No/If yes, Due Date	Total Amount of Funds for Work Element	Year to Date Expenditure of All Funds	LTF Carryover	22/23 LTF	RPA Formula	RPA Formula Carryover	RPA Grant	RPA Grant Carryover	STIP PPM	RSTP	RTMF Allocation	ALUC Fees
WE 1.1 - Gen Admin	96%	No	264,317.85	243,715.63		238,823.69							4,891.94	
WE 1.2 - TDA Admin	96%	No	322,898.63	310,897.87		310,897.87								
WE 2.1 - RTP	82%	No	130,262.23	106,806.98	67,661.63		19,546.81	4,732.19			24,865.45			
WE 2.1.1 RTP Update	74%	No	201,051.73	149,573.48			56,053.91				75,000.00	18,519.57		
WE 2.2 Transportation Improvement Program	94%	Yes	52,461.64	49,413.11		11,200.10	38,213.01							
WE 2.2.1 RTMF Update	94%	Yes	147,361.98	138,140.35									138,140.35	
WE 2.3 - Transit Programs	90%	No	59,769.29	53,957.21		7,640.18	46,317.03							
WE 2.3.3 Eastern Nevada Co. TDP	15%		109,534.13	16,764.87			16,764.87							
WE 2.4 Coordination of Regional Planning	64%	No	166,136.43	105,771.57	37,286.28		68,486.29							
WE 2.4.2 Airport Land Use Commission Planning & Reviews	72%	No	38,303.16	27,760.68		26,010.68								1,750.00
WE 2.4.4 RCTC Rural Induced Demand Study	62%	Yes	174,089.89	108,766.66	7,959.61		30,848.81			69,958.24				
WE 2.4.6 Nevada Co. Fleet Electrification Study	7%	No	246,999.36	17,020.93			10,940.84		6,080.09					
Contingency	0%	No	222,019.50											
TOTAL			2,125,205.82	1,328,588.34	102,906.42	594,572.52	287,171.57	4,732.19	6,080.09	69,958.24	99,865.45	18,519.57	143,032.29	1,750.00

I certify that all state and federal matching requirements have been met.

APPROVED

By Mike Woodman at 12:10 pm, Aug 24, 2023

Michael Woodman, Executive Director

Date

FY 2022/23

OWP Budgeted

Expended

BALANCE

LTF Carryover	22/23 LTF	RPA Formula	RPA Formula Carryover	RPA Grant	RPA Grant Carryover	STIP PPM	RSTP	RTMF Allocation	ALUC Fees
\$179,017.63	\$882,427.00	\$294,000.00	\$21,731.55	\$230,000.00	\$125,000.00	\$99,865.45	\$69,997.82	\$152,361.98	\$15,000.00
\$102,906.42	\$594,572.52	\$287,171.57	\$4,732.19	\$6,080.09	\$69,958.24	\$99,865.45	\$18,519.57	\$143,032.29	\$1,750.00
\$76,111.21	\$287,854.48	\$6,828.43	\$16,999.36	\$223,919.91	\$55,041.76	\$0.00	\$61,478.25	N/A	N/A

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

W.E. 2.1 - REGIONAL TRANSPORTATION PLANNING:

Congestion Mitigation Air Quality Program

NCTC staff met with the Technical Advisory Committee (TAC) to review the status of previously approved Congestion Mitigation Air Quality Improvement Program (CMAQ) funded projects and discuss potential new projects eligible for future funding opportunities. NCTC staff coordinated with Caltrans and the Sacramento Area Council of Governments to execute an agreement to loan the Nevada County Transportation Commission's unobligated CMAQ apportionment balance for repayment in FY 2023/24.

SR 49 Corridor System Management Plan

NCTC staff continued to monitor the project development and implementation status of Caltrans projects located within the boundaries of the SR 49 Corridor System Management Plan and monitored accident data for regional roadways within Nevada County.

NCTC staff continued collecting and analyzing traffic volumes and freight data on SR 49, as well as data related to I-80 emergency detours to SR 20/SR 49 and coordinating with Caltrans District 3 to discuss potential wildfire evacuation climate adaptation projects that could help to reduce evacuation times in the SR 49 corridor. Staff researched and participated in meetings regarding evacuation initiatives and current climate events. NCTC staff continued to meet with Nevada County Office of Emergency Services staff and the consultant firm Ladriss to discuss evacuation routes and emergency evacuation scenarios and simulations. NCTC continued conversations with the University of California Los Angeles Environmental Engineering Department on wildfire research and prepared a letter of collaboration in support of a grant submittal to the National Science Foundation to establish a Research Center *CyPRES (Community Pyro-Resilience, Equitability, and Sustainability)*.

Staff continuously coordinated with Caltrans to explore opportunities to implement the SR 49 Corridor System Management Plan and monitor existing traffic conditions and safety data. NCTC staff continue to monitor the development and status of all Caltrans projects located within the boundaries of the SR 49 Corridor System Management Plan (CSMP) and work with the design team to minimize right-of-way impacts. NCTC staff coordinated with Caltrans District 3 Safety Division to consider potential safety counter measures in response to the reviewed accident data on the SR 20 corridor between Grass Valley and the Yuba County line.

Air Quality Conformity Process

NCTC staff began preparation of the submittal to the Interagency Consultation Working Group for their review and recommended reaffirmation of the previous determination of the State Route 49 Corridor Improvement Project as exempt, in consideration of the proposed minor project scope change to include an access-controlled driveway entrance to the Nevada County Transit Operations Center to enhance access to the County's Zero Emission Bus charging infrastructure.

NCTC staff will continue to coordinate with Caltrans, the Northern Sierra Air Quality Management District and other agencies regarding planning related to the Federal 8-hour ozone standards and air quality conformity. NCTC in coordination with the California Air Resources Board (CARB) and NSAQMD staff reviewed and commented on the draft Transportation Control Measure assessment for the western Nevada County Attainment Statewide Implementation Plan.

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

Regional Transportation Planning

NCTC staff continue to identify ways to enhance its public engagement activities and outreach efforts by expanding its social media footprint and identify those disadvantaged and vulnerable community groups, in an effort to better serve those communities.

Staff continued to attend and participate in meetings and workshops related to Active Transportation Program funding opportunities, to obtain current guidelines and eligibility requirements for future grant funding cycles. In coordination with Caltrans Headquarters Aviation and the regional airport operators, NCTC staff researched the latest information on Advanced Aviation Mobility to determine if it was applicable to the Nevada County region and if additional planning efforts were needed. Assistance was provided to the local jurisdictions to ensure their involvement in regional transportation planning activities and update of traffic count data.

W.E. 2.1.1 – REGIONAL TRANSPORTATION PLAN UPDATE:

NCTC executed an Agreement between NCTC and DKS Associates, to develop the Nevada County Regional Transportation Plan update in July 2022. DKS Associates and NCTC staff met on August 10, 2022, and discussed the details in relation to holding the RTP Update Kick-Off Meeting and discussed the data needs, tasks, goals, and project timeline. NCTC staff participated in bi-weekly meetings to discuss progress of the plan update and action items for next steps to continue keeping the project on schedule.

NCTC staff worked closely with the consultant and local agencies to refine the latest Pavement Conditions Index (PCI) pavement conditions data, to fine tune the social pinpoint mapping, project website, and demographic analysis. NCTC staff and consultant began refining the draft Goals and Policy Section of the RTP. Staff and the consultant team continue to review the Financial Element assumptions of the RTP and all potential future funding sources.

NCTC staff, consultant, and local agency staff held two (2) on-line public workshops. A workshop for the Eastern County was held on March 14, 2023, and a workshop for the Western County was held on March 16, 2023, to obtain the public's opinions and feedback on the plan update and introduce and demonstrate the social pinpoint mapping tool.

NCTC staff reviewed and commented on the draft Financial Element and Capital Improvement Program lists from the local agencies. The consultant team addressed the revenue projection comments and submitted a second draft to NCTC staff to review. NCTC staff coordinated with the consultant team to map the proposed tier 1 RTP project lists. NCTC staff also provided past RTP environmental documentation to access the type of environmental document needed for the RTP update.

NCTC staff and the consultant team also began data collection to identify and evaluate vulnerable communities in Nevada County in an effort to develop regional Disadvantaged Communities (DAC) Definitions. The data collection efforts included identifying indicators that may lead to disproportionate burdens relating to mobility, accessibility, auto ownership, educational attainment, income levels, household status, disability, health, age, language proficiency, access to broadband and/or computer devices. This information will be used to identify geographic areas within the county and to utilize the benefits of transportation improvements on these communities. The data will also be shared with social service agencies to identify any other commonly used indicators that may have readily available data.

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

W.E. 2.2 - TRANSPORTATION IMPROVEMENT PROGRAM:

NCTC staff continued coordination with Caltrans to identify incremental projects to accelerate safety and operational improvements in the SR 49 corridor between Grass Valley and the Combie/Wolf Road intersection. As a member of the project development team for the SR 49 Corridor Improvement Project, NCTC staff continued coordination and attended regular meetings with Caltrans Project Management regarding the project and Caltrans SHOPP projects within Nevada County.

NCTC staff began reviewing the Trade Corridor Enhancement Program (TCEP) and Solutions for Congested Corridors Program (SCCP) grant funding guidelines and requirements in preparation of submitting applications for both grant funding opportunities in November 2022. NCTC staff analyzed the ability to provide Regional Improvement Program funding for the local match requirement. On November 18, 2022, NCTC staff submitted an application to the TCEP grant program, and on Dec 2, 2022, an application was submitted for the SCCP grant program. The California Transportation Commission (CTC) at their June 28, 2023 meeting, officially awarded the NCTC \$14.6 million of TCEP funding for southbound improvements on the State Route 49 corridor between the McKnight Way Interchange and La Barr Meadows Road.

NCTC continued interagency coordination to identify and consider new Regional Transportation Improvement Program (RTIP) projects and the need for future Project Initiation Documents. Staff continued to monitor NCTC's STIP projects and implementation of RTIP and related coordination activities. In preparation of the submittal of NCTC's RTIP and programming considerations for Regional Improvement Program and Interregional Improvement Program funding in the 2024 STIP staff coordinated with Caltrans District 3 and Caltrans Headquarters.

NCTC staff will continue to work closely with Caltrans District 3 and Headquarters staff on Climate Adaptation projects that can be incorporated into the transportation infrastructure network within Nevada County.

W.E. 2.2.1 - REGIONAL TRANSPORTATION MITIGATION FEE PROGRAM:

A contract with GHD Inc. and NCTC was executed on May 19, 2021 to update the 2016 Regional Transportation Mitigation Fee Program (RTMF), Local Transportation Mitigation Fee (LTMF), and Grass Valley Transportation Impact Fee (GVTIF) programs. A kickoff meeting was held with the consultant, NCTC staff and the Project Advisory Committee (PAC). The consultant reviewed the current fee program project inventory and the prior nexus analysis. The consultant collected updated intersection traffic counts data and the PAC members reviewed existing projects included in the RTMF program. The Consultant made modifications to the NCTC travel demand model script and recompiled the model files such that it can be run for the nexus analysis. In particular, the select link and select zone analysis modules within the model, which are required to determine regional and local proportional share of improvements, will have enhanced functionality.

GHD formally documented these changes to the model and assembled the new version of the model package for future use. GHD repackaged the model to facilitate transfer from NCTC and other consultant firms or partner agencies that may require its use. GHD also developed post-processing sheets to extract turning movements from the model for the purpose of this nexus study. GHD included additional modeling time necessary to verify fair share calculations at new study locations and for locations where prior improvement needs are anticipated to change based on input received from the participating agencies.

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

AB 602 was signed into law in September 2021, after the original Scope of Work for the contract was prepared and after the project contract was signed. AB 602 imposes additional requirements on nexus studies adopted after June 30th, 2022, as was the case with these nexus studies. Most significantly, AB 602 requires that fees on residential developments be based on the square footage of the dwelling. This meant that new trip-generation rates needed to be developed as well as, new square-footage-based forecasts for future residential development. GHD developed 3 alternate residential fee calculation scenarios to comply with the requirements of AB 602. These preliminary calculations demonstrated the implementation and revenue challenges of each structure such that the participating agencies may select a preferred and desired option. GHD worked with EPS to provide a reasonable and defensible structure that best meets the needs of each of the participating agencies.

An overview and the proposed capital improvement program (CIP) project list and draft fees was presented to NCTC on May 17, 2023. The RTMF/LTMF/GVTIF programs update was completed and accepted by the NCTC on July 19, 2023.

W.E. 2.3 - TRANSIT AND PARATRANSIT PROGRAMS:

NCTC staff coordinated with human service transportation providers through participation in the Accessible Transportation Coalitions Initiative/Mobility Action Partners Collaborative (ATCI/MAPCO) and Social Services Transportation Advisory Council (SSTAC) to address mobility needs in western and eastern Nevada County. NCTC staff continue to monitor transit and paratransit statistics and compliance with the requirements of the TDA and participate in the ATCI/MAPCO group and SSTAC.

On August 9, 2022, November 8, 2022, and February 14, 2023, NCTC staff attended and participated in the joint ATCI/MAPCO and SSTAC meeting, which included an update on the Transit System Status and Status of Transit Projects, discussion on the Public Transportation Updates, and discussion of any Unmet Transit Needs within the County. NCTC staff also assisted transit operators with administrative challenges related to Cares Act and CRRSAA funding.

NCTC staff participated in California State Transportation Agency (CalSTA) workshops and sub-working groups related to the disbursement of the Infrastructure Investment and Jobs Act (IIJA) Intercity Rail/Transit funding, and any potential grant funding opportunities that could be used to improve Transit Operations in Nevada County. In conjunction with staff from Nevada County Fleet and Transit Operations, NCTC staff met to discuss the CARB Zero Emission Bus Rollout Plan for Nevada County, and the Zero Emission Vehicle Transition Plan.

NCTC staff coordinated with Nevada County Transit Services to examine capital funding opportunities for planned improvements to the Nevada County Transit Operations Center and plans for Zero Emission Bus transition. NCTC staff also continued to work with the Town of Truckee to help identify funding opportunities for implementation of microtransit and construction of the new Transit Center at the Truckee Railyard.

NCTC staff continued to coordinate and participate in the monthly Truckee Convene, Champion & Catalyze (CCC) meetings established by the Board of Supervisors, to discuss the Truckee area transportation/transit issues and improvement plans. Staff also continued to coordinate with the Placer County Transportation Planning Agency, Tahoe Regional Transportation Planning Agency, Washoe County Transportation Commission, Nevada County, Placer County, and Capitol Corridor Joint Powers Agency to explore opportunities to help advance the mutual goal of expanding passenger rail service to Truckee/Reno and develop last mile transit connections. NCTC staff also coordinated with Nevada County Transit Services to develop a proposed scope of work for a Comprehensive Operational Analysis to analyze the current fixed

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

route/paratransit delivery model and examine alternative delivery options, such as micro-transit, micro-mobility, and dial-a-ride to determine the most cost-effective way to provide enhanced mobility.

W.E. 2.3.3 – EASTERN NEVADA COUNTY TRANSIT DEVELOPMENT PLAN:

NCTC staff and the Town of Truckee staff met and discussed the scope of work and the inclusion of the data from the recent Truckee Transit summer micro-transit pilot project, for the Eastern Nevada County Transit Development Plan (ENCTDP) and to develop Request for Proposal (RFP) to update the Plan. NCTC staff worked closely with the Town of Truckee staff updating the scope of work and the inclusion of the Truckee Transit Impact Study, to the Eastern Nevada County Transit Development Plan.

NCTC staff coordinated with the Town of Truckee staff to finalize the Request for Proposal (RFP) to update the Plan. NCTC staff released a Request for Proposal (RFP) to update the Eastern Nevada County Transit Development Plan (ENCTDP) to several consulting firms in May 2023, with RFP proposals due June 1, 2023. The consulting firm LSC Transportation Consultants, Inc. (LSC) was selected to update the ENCTDP. The Consultant Agreement was approved at the July 19, 2023.

W.E. 2.4 - COORDINATION OF REGIONAL PLANNING:

NCTC staff coordinated with local jurisdictions and a consultant firm for assistance with the preparation and resubmittal of Active Transportation Program applications for improvements to the area near the intersection of SR 174 and SR 49/20 in Grass Valley and a multimodal corridor plan for a section of SR 49 in Nevada City. On December 7, 2022, the California Transportation Commission (CTC) awarded funding for Cycle 6 of the Active Transportation Program for both the Statewide Funding program component and the Small Urban & Rural program component. NCTC was awarded funding for both grant applications submitted, totaling a combined \$19,302,000 in ATP funding. The SR 49 Multi-modal Corridor Improvement Project was recommended for \$13.8 million, and the SR 174/49/20 Roundabout and Active Transportation Safety Project was recommended for \$5.4 million.

NCTC staff participated in meetings of the Regional Transportation Planning Agency Group (RTPA Group), California Rural Counties Task Force (RCTF), California Local Streets and Roads Needs Assessment Oversight Committee, and Truckee North Tahoe Transportation Management Association (TNT/TMA). NCTC staff monitored development proposals in Grass Valley, Nevada City, Nevada County, and the Town of Truckee in relation to potential regional transportation impacts. NCTC staff continued coordination of regional planning efforts with the RTPA, RCTF, NSSR, TNT/TMA groups, Caltrans District 3, and other regional agencies.

NCTC staff participated in the Sustainable Rural Transportation Solutions Summit with CalSTA and the Rural Counties Task Force. NCTC staff attended and participated in the California Transportation Commission meetings discussing Caltrans Strategic Investment Strategy and other transportation policy issues. Staff also participated in the California Federal Program Group (CFPG) meetings.

NCTC staff attended and participated in the California Transportation Commission meetings discussing Caltrans Strategic Investment Strategy and other transportation policy issues. NCTC staff worked closely with Caltrans District 3 staff on a SR 49 Grass Valley Evacuation Project to be submitted to the State Transportation Infrastructure Climate Adaption Program/PROTECT funding program for potential funding.

NCTC staff participated in meetings of the Truckee North Tahoe Transportation Management Association (TNT/TMA), Regional Transportation Planning Agency Group (RTPA Group), Caltrans District 3, local

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

stakeholders, Nevada County Office of Emergency Services, North State Super Region, and the California Rural Counties Task Force (RCTF). NCTC staff also participated in the TNT/TMA Board of Directors meeting. Staff also continued to monitor development proposals in Grass Valley, Nevada City, Nevada County, and the Town of Truckee in relation to potential regional transportation impacts.

W.E. 2.4.2 – AIRPORT LAND USE COMMISSION:

The Nevada County Airport Land Use Commission (ALUC) has delegated the Nevada County Transportation Commission (NCTC) Executive Director to conduct reviews of proposed projects that are located within the Airport Influence Area, for consistency with the Airport Land Use Compatibility Plan. During the 2022-2023 fiscal year, there were 4 (four) actual project reviews conducted by NCTC.

The Tahoe Truckee Airport Land Use Commission (TTALUC) has delegated the Nevada County Transportation Commission (NCTC) Executive Director to conduct reviews of proposed projects that are located within the Airport Influence Area, for consistency with the Tahoe Truckee Airport Land Use Compatibility Plan. During the 2021-2022 fiscal year, there was 1 (one) actual project review conducted by NCTC. NCTC staff also conducted nine pre-reviews for both the ALUC and TTALUC during the fiscal year that determine whether or not an actual consistency review is required.

W.E. 2.4.4 – RURAL INDUCED DEMAND STUDY:

NCTC staff were notified by Caltrans that they were awarded a State Rural Planning Assistance grant for the Rural Counties Task Force (RCTF) Analysis of Induced Demand on Rural Highways requested in coordination with the Rural Counties Task Force. NCTC staff began working on a Scope of Work and Project Timeline for an RFP for the Rural Induced Demand Study to submit to Caltrans Headquarters Planning to finalize the award. Staff released the RFP in July 2022.

Caltrans approved the Scope of Work and Project Timeline, and NCTC received the Notice to Proceed for the project on July 26, 2022. NCTC staff established a Project Selection Committee and coordinated the review of the proposals received and selected the project team consisting of DKS Associates and GHD Inc. The Professional Service Agreement with the selected consultant team to develop a Rural Induced Demand Study was approved and initiated at the September 21, 2022, NCTC Meeting. A Professional Service Agreement with DKS Associates to develop a Rural Induced Demand Study was approved and initiated at the September 21, 2022, NCTC Meeting.

NCTC staff and the consultant team hosted the project kick-off meeting on October 17, 2022. NCTC staff sent data requests to the Rural Counties Task Force and Regional Transportation Planning Agencies for case study projects. The Consultant team initiated a review and research of documents related to Induced Demand and reviewed initial findings with NCTC staff.

The consultant team prepared a draft Task #2 Memo on the Collection and Analysis. After the project management meeting and discussion on the status of the study the consultant revised the Draft Task #2 Memo on the Collection and Analysis. The consultant team continued data collection efforts on previously completed highway projects for analysis. NCTC staff continued to work closely with the consultant team to conduct outreach to agencies to obtain additional data for the case study inventory. Development of GIS locations of the case study project candidates began.

The consultant and subconsultant continued to perform the literature review and discuss preliminary findings with NCTC staff. NCTC and the consultant team continued data collection efforts and evaluating previously completed highway projects for analysis. NCTC staff continued to review the updated

NEVADA COUNTY TRANSPORTATION COMMISSION

Management's Discussion and Analysis

June 30, 2023

Infrastructure Projects listed in the Project Data Base. NCTC staff in coordination with consultant staff finalized the Short-List of Projects to be analyzed for VMT results and preliminary findings were presented to NCTC staff and RCTF. NCTC staff reviewed the preliminary findings presented in the Draft Literature Review Memo presented by consultant staff. NCTC also reviewed the State of California guidelines assessment. NCTC Staff coordinated with the consultant and the Rural Counties Task Force (RCTF) on the status of the study and next steps.

W.E. 2.4.6 – ZERO EMISSION VEHICLE TRANSITION PLAN FOR NEVADA COUNTY:

NCTC and Nevada County staff met on July 28, 2022, to discuss potential funding sources for a county-wide Fleet Electrification Plan and the need for a County Fleet Electrification Study. NCTC staff were able to secure RPA Grant funding for the project. NCTC staff in coordination with Nevada County Fleet Operations, Nevada County Community Development staff, and Transit Operations staff developed a Scope of Work and Project Timeline for an RFP for the Nevada County Fleet Electrification Study. On December 16, 2022, NCTC staff submitted a Request for Proposals (RFP) to perspective consulting firms to complete the Nevada County Fleet Electrification Study with proposals due on January 31, 2023. On February 22, 2023, NCTC staff in coordination with Nevada County development and transportation staff, held consultant interviews for the Zero Emission Vehicle Transition Plan. As a result of the interviews, an Agreement was approved on March 1, 2023, with Frontier Energy.

On April 17, 2023, a Project Kick-Off meeting was held in coordination with NCTC staff, the consultant team, and Nevada County Transportation and Transit staff. NCTC staff participated in check-in meetings with consultant staff, to discuss the status of plan and to ensure project deliverables are on track with project schedule. NCTC staff coordinated with the consultants, the Nevada County Fleet Manager, and the Nevada County Transit Manager to review all existing and future fleet inventory, energy use estimates, and transition plans for each County Department. NCTC staff and the Nevada County Transit Manager continued final reviews of the Draft Zero Emission Bus (ZEB) Rollout Plan, which was submitted to the Air Resources Board (ARB) June 2023.

CONTACTING NCTC

This financial report was designed to provide a general overview of the NCTC's finances and to demonstrate NCTC's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director of the Nevada County Transportation Commission, Michael G. Woodman, 101 Providence Mine Road, Suite 102, Nevada City, California, 95959.

NEVADA COUNTY TRANSPORTATION COMMISSION

STATEMENT OF NET POSITION

June 30, 2023

	Governmental Activities
ASSETS	
Cash and investments	\$ 384,471
Sales tax receivable	1,249,733
Due from other governments	3,969,009
Prepaid expenses	11,754
Restricted cash	13,669,179
Capital Assets:	
Depreciable, net	48,185
TOTAL ASSETS	<u>19,332,331</u>
LIABILITIES	
Accounts payable	100,259
Retentions payable	18,706
Accrued salaries and benefits	26,214
Unearned revenues	55,804
Allocations payable to other governments	27,905
Due to other governments - due within one year	2,060,201
Compensated absences - due within one year	45,717
Lease liability - due within one year	22,786
Noncurrent Liabilities:	
Compensated absences - due in more than one year	117,559
Lease liability - due in more than one year	23,245
Due to other governments - due in more than one year	3,113,700
TOTAL LIABILITIES	<u>5,612,096</u>
NET POSITION	
Net investment in capital assets	2,154
Restricted	13,835,280
Unrestricted	<u>(117,199)</u>
TOTAL NET POSITION	<u><u>\$ 13,720,235</u></u>

The accompanying notes are an integral part of these financial statements.

NEVADA COUNTY TRANSPORTATION COMMISSION

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

	<u>Governmental Activities</u>
PROGRAM EXPENSES	
Planning and administration:	
Allocations	\$ 4,656,150
Salaries and benefits	889,477
Program costs and professional fees	429,167
Rents and leases	3,095
Administrative costs	23,416
Insurance	13,317
Utilities	2,461
Pass-through grants	595,314
Interest	1,163
Depreciation	25,351
TOTAL PROGRAM EXPENSES	<u>6,638,911</u>
PROGRAM REVENUES	
Operating grants	<u>8,994,422</u>
NET PROGRAM EXPENSE	2,355,511
GENERAL REVENUES	
Interest income	273,524
Other revenues	2,175
TOTAL GENERAL REVENUES	<u>275,699</u>
CHANGE IN NET POSITION	2,631,210
Net position, beginning of year, as previously reported	14,257,502
Restatement	<u>(3,168,477)</u>
Net position, beginning of year, as restated	<u>11,089,025</u>
NET POSITION, END OF YEAR	<u><u>\$ 13,720,235</u></u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

NEVADA COUNTY TRANSPORTATION COMMISSION

BALANCE SHEET - GOVERNMENTAL FUND

June 30, 2023

	General Fund	Major Funds	
	Planning Fund	Special Revenue Funds	
		Local Transportation	State Transit Assistance
ASSETS			
Current Assets:			
Cash	\$ 384,471		
Sales tax receivable		\$ 860,183	\$ 361,645
Due from other governments	106,690	2,060,201	
Prepaid costs	11,754		
Due from other funds	248,666		
Total Current Assets	751,581	2,920,384	361,645
Noncurrent Assets:			
Restricted cash and investments		4,783,159	4,692,375
Total Noncurrent Assets	-	4,783,159	4,692,375
TOTAL ASSETS	\$ 751,581	\$ 7,703,543	\$ 5,054,020
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Accounts payable	\$ 100,259		
Retentions payable	18,706		
Allocations payable to other governments			
Accrued salaries and benefits	26,214		
Advances from grantors	55,804		
Due to other agencies		\$ 2,060,201	
Due to other funds		87,114	
TOTAL LIABILITIES	200,983	2,147,315	-
FUND BALANCE:			
Nonspendable	11,754		
Restricted for:			
Pedestrian and bikeway projects		360,714	
Transportation projects		5,195,514	\$ 5,054,020
Unassigned	538,844		
TOTAL FUND BALANCE	550,598	5,556,228	5,054,020
TOTAL LIABILITIES AND FUND BALANCE	\$ 751,581	\$ 7,703,543	\$ 5,054,020

Major Funds		Non Major Fund	
Special Revenue Funds		State of	
RSTP	RTMF	Good Repair	Total
			\$ 384,471
		\$ 27,905	1,249,733
\$ 1,374,593	\$ 427,525		3,969,009
			11,754
			248,666
<u>1,374,593</u>	<u>427,525</u>	<u>27,905</u>	<u>5,863,633</u>
 1,868,959	 2,324,686		 13,669,179
<u>1,868,959</u>	<u>2,324,686</u>	<u>-</u>	<u>13,669,179</u>
<u>\$ 3,243,552</u>	<u>\$ 2,752,211</u>	<u>\$ 27,905</u>	<u>\$ 19,532,812</u>
			\$ 100,259
			18,706
		\$ 27,905	27,905
			26,214
			55,804
	\$ 3,113,700		5,173,901
\$ 18,520	143,032		248,666
<u>18,520</u>	<u>3,256,732</u>	<u>27,905</u>	<u>5,651,455</u>
			11,754
			360,714
3,225,032			13,474,566
	(504,521)		34,323
<u>3,225,032</u>	<u>(504,521)</u>	<u>-</u>	<u>13,881,357</u>
<u>\$ 3,243,552</u>	<u>\$ 2,752,211</u>	<u>\$ 27,905</u>	<u>\$ 19,532,812</u>

NEVADA COUNTY TRANSPORTATION COMMISSION
BALANCE SHEET - GOVERNMENTAL FUND (Continued)

June 30, 2023

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL
FUND TO THE STATEMENT OF NET POSITION

	<u>Total</u>
Fund balance - governmental funds	\$ 13,881,357
Amounts reported for governmental activities in the statement of net position are different from those reported in the governmental funds above because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	3,640
Lease liability, and related right of use asset, is not due and payable in the current period and therefore are not reported in the fund statements.	
Right of use asset	44,545
Lease liability	(46,031)
Compensated absences liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	<u>(163,276)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 13,720,235</u></u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

NEVADA COUNTY TRANSPORTATION COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GOVERNMENTAL FUND

For the Year Ended June 30, 2023

		Major Funds	
		Special Revenue Funds	
	Planning Fund	Local Transportation	State Transit Assistance
REVENUES			
Sales tax		\$ 4,821,616	\$ 1,392,878
Rural Planning Assistance	\$ 367,942		
STIP Planning (PPM)	99,865		
Regional Surface Transportation Program			
Regional Transportation Mitigation Funds			
State of good repair			
Interest	8,612	91,934	84,989
Other	2,175		
TOTAL REVENUES	<u>478,594</u>	<u>4,913,550</u>	<u>1,477,867</u>
EXPENDITURES			
Allocation Transportation projects		4,019,707	473,185
Salaries and benefits	848,254		
Program costs and professional fees	429,167		
Rents and leases	3,095		
Insurance	13,317		
Administrative costs	23,416		
Utilities	2,461		
Debt service:			
Principal retirement	22,335		
Interest	1,163		
TOTAL EXPENDITURES	<u>1,343,208</u>	<u>4,019,707</u>	<u>473,185</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	878,417		
Transfers out		(716,865)	
TOTAL OTHER FINANCING SOURCES (USES)	<u>878,417</u>	<u>(716,865)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	13,803	176,978	1,004,682
Fund balance, beginning of year, as previously reported	536,795	5,379,250	4,049,338
Restatement			
Fund balance, beginning of year, as restated	<u>536,795</u>	<u>5,379,250</u>	<u>4,049,338</u>
FUND BALANCE, END OF YEAR	<u>\$ 550,598</u>	<u>\$ 5,556,228</u>	<u>\$ 5,054,020</u>

The accompanying notes are an integral part of these financial statements.

Major Funds		Non Major	
Special Revenue Funds			
RSTP	RTMF	State of Good Repair	Total
			\$ 6,214,494
			367,942
			99,865
\$ 1,374,593			1,374,593
	\$ 774,270		774,270
		\$ 163,258	163,258
43,401	44,588		273,524
			2,175
<u>1,417,994</u>	<u>818,858</u>	<u>163,258</u>	<u>9,270,121</u>
		163,258	4,656,150
			848,254
595,314			1,024,481
			3,095
			13,317
			23,416
			2,461
			22,335
			1,163
<u>595,314</u>	<u>-</u>	<u>163,258</u>	<u>6,594,672</u>
			878,417
<u>(18,520)</u>	<u>(143,032)</u>		<u>(878,417)</u>
<u>(18,520)</u>	<u>(143,032)</u>	<u>-</u>	<u>-</u>
804,160	675,826	-	2,675,449
2,420,872	(4,348,824)		8,037,431
	3,168,477		3,168,477
<u>2,420,872</u>	<u>(1,180,347)</u>		<u>11,205,908</u>
<u>\$ 3,225,032</u>	<u>\$ (504,521)</u>	<u>\$ -</u>	<u>\$ 13,881,357</u>

NEVADA COUNTY TRANSPORTATION COMMISSION

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE
STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUND \$ 2,675,449

Amounts reported for governmental activities in the statement of activities
are different because:

Governmental Funds report capital outlays as expenditures. However, in
the statement of activities the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense.

Depreciation expense (3,079)

Lease payments reduce long-term liabilities in the statement of net
position. Right of use asset is recorded in the statement of activities
and is allocated over the life of the lease as amortization expense.

Proceeds from leased asset

Amortization - right of use asset (22,272)

Principal payments on lease liability 22,335

Some expenses reported in the statement of activities do not require the
use of current financial resources and, therefore, are not reported as
expenditures in governmental funds.

Change in compensated absences liability (41,223)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 2,631,210

The accompanying notes are an integral part of these financial statements.

NEVADA COUNTY TRANSPORTATION COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Commission have been prepared in accordance with accounting principles generally accepted of the United States of America (“U.S. GAAP”) as applied to governmental agencies. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission’s accounting policies are described below.

The Nevada County Transportation Commission (the Commission), the regional transportation planning agency for the County of Nevada (the County), was created pursuant to Title 7.88 of the State of California Government Code Section 67920. The Commission is responsible for coordinating transportation planning and allocation of funding resources for the City of Grass Valley (Grass Valley), the City of Nevada City (Nevada City), the County of Nevada, and the Town of Truckee (Truckee). The Commission is also responsible for administration of the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STA), programs created under the Transportation Development Act (TDA) by the State of California. The objective of the TDA is to allocate priority-based funding for public transportation services, local streets and roads, bicycle and pedestrian facilities, and transportation planning activities. The Commission is also responsible for the administration of the Regional Surface Transportation Program (RSTP), Regional Transportation Mitigation Fee (RTMF), and Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) funding.

The Commission is governed by a seven-member board of commissioners. The Board of Supervisors of the County appoints four members and the incorporated municipalities in the County appoint three members. The Board of Supervisors has appointed two members from the Board and two County at large representatives. The municipalities have appointed three city/town council members, one each from Nevada City, Grass Valley, and Truckee.

The Commission has no component units, related organizations, or jointly governed organizations.

Effective May 19, 2010, the Commission was designated to act as the Nevada County Airport Land Use Commission (NCALUC) by the Nevada County Board of Supervisors and members of the City Selection Committee.

Basis of Presentation – Government-wide Financial Statements: The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide 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 when a liability is incurred, regardless of the timing of related cash flows. Nonexchange revenues are recognized when all eligibility requirements have been met. Cost reimbursement grant revenues are recognized when program expenses are incurred in accordance with program guidelines. When nonexchange revenues are received before eligibility requirements are met, they are reported as unearned

NEVADA COUNTY TRANSPORTATION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

revenues until earned. Sales tax revenue is recorded as revenue when collected and apportioned to the Commission.

Basis of Presentation – Fund Financial Statements: The accounts of the Commission are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund is established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions, or limitations. Major individual governmental funds are reported as separate columns in the fund financial statements.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual basis accounting, except for compensated absences, which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

The Commission reports the following major governmental fund in the accompanying financial statements:

Planning Fund – The Planning Fund is the general operating fund of the Commission and accounts for revenues collected to provide services and finance the fundamental operations of the Commission. The major revenue source for this fund is local transportation funds and federal and state planning grants. Expenditures are made for administration, as well as local and regional planning projects.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. In its capacity as a Regional Transportation Planning Agency, the Commission is responsible for the administration of several special revenue funds which provide funding for transportation planning, transit operations, pedestrian and bicycle facilities and street and roads maintenance and improvements. The following Special Revenue Funds are considered to be major funds:

Local Transportation Fund – This fund accounts for revenues generated from a ¼ cent of the general sales tax imposed by the State of California pursuant to the Transportation Development Act (TDA). The County and cities file claims with the Commission for the monies and allocations are made for planning, transit, pedestrian, bicycle, streets and roads purposes. The Commission reviews the claims, determines the Commission's eligibility to receive funds, and, upon approval, allocates the funds to the agencies.

State Transit Assistance Fund – Revenues for this fund are earned based on a portion of the State gasoline tax. The tax is allocated to the Nevada County Transportation Commission by the State Controller's office. Agencies file claims with the Commission for the funds and allocations are made solely for transit-related projects.

Regional Surface Transportation Program Fund – The Regional Surface Transportation Program Fund represents an apportionment under the Federal Transportation Bill whereby the Commission

NEVADA COUNTY TRANSPORTATION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

allocates funds to agencies for projects included in the adopted Federal Statewide Transportation Improvement Program.

Regional Transportation Mitigation Fee (RTMF) Fund – The Western Nevada County Regional Transportation Mitigation Fee (RTMF) program is a partnership between the County, the City of Grass Valley, the City of Nevada City and the Commission. These funds provide revenue for street and highway improvements needed to accommodate traffic generated by development projects in western Nevada County.

The Commission reporting the following non-major governmental funds in the accompanying financial statements:

State of Good Repair Fund – Senate Bill (SB) 1 (Chapter 5, Statutes of 2017), the Road Repair and Accountability Act of 2017, a new Transportation Improvement Fee (Fee) on vehicle registrations due on or after January 1, 2018, a portion of which is provided to the California State Controller's Office for the State of Good Repair (SGR) program. SGR fees are available for capital assistance to rehabilitate and modernize existing local transportation systems, including the purchase of new vehicles and the maintenance and rehabilitation of transit facilities and vehicles.

Restricted Cash and Investments: The amount reported as restricted cash and investments consists of balances held in special revenue funds for specific transportation projects.

Due from Other Governments: Due from other governments consists mainly of amounts due from state and federal agencies under grant agreements and other revenue sources. Management believes these amounts to be fully collectible and, accordingly, no allowance for doubtful accounts is required.

Capital Assets: Capital assets for governmental fund types of the Commission are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Capital assets are defined as assets with an initial cost of \$1,000 or more and an estimated useful life in excess of one year. Provision is made for depreciation by the straight-line method over the estimated useful lives of these individual assets, which range from three to ten years for office furniture and equipment and thirty years for leasehold improvements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Unearned Revenues: Unearned revenues arise when resources are received before the Commission has legal claim to them, such as when cost reimbursement grant and other intergovernmental revenues are received prior to the incurrence of qualifying expenses.

NEVADA COUNTY TRANSPORTATION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences: The Commission's personnel policy allows employees to accumulate earned but unused vacation. Unused accrued vacation time will be paid to employees upon separation from the Commission's service, subject to a vesting policy. The cost of vacation is recorded in the period earned.

Amounts that are expected to be liquidated with expendable available financial resources, for example, as a result of employee resignations or retirements that are currently payable are reported as expenditures and fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources represent a reconciling item between the fund and government-wide presentation. No expenditure is reported in the governmental fund financial statements for these amounts. Compensated absences are liquidated by the Planning Fund.

Fund Balance: In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned and unassigned balances.

Nonspendable Funds – Fund balance should be reported as nonspendable when the amounts cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact. Nonspendable balances are not expected to be converted to cash within the next operating cycle, which include prepaid expenses.

Restricted Funds – Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The purpose of each restriction is listed on the face of the balance sheet.

Committed Funds – Fund balance should be reported as committed when the amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is by resolution of the Commission. These amounts cannot be used for any other purpose unless the governing body modifies or removes the fund commitment.

Assigned Funds – Fund balance should be reported as assigned when the amounts are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned Funds – Unassigned fund balance is the residual classification of the Commission's funds and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes.

Net Position: The government-wide and fiduciary fund financial statements present net position. Net position is categorized as the net investment in capital assets, restricted, committed and unrestricted.

Net investment in Capital Assets – This category groups all capital assets into one component of net assets. Accumulated depreciation and outstanding debt used to purchase capital assets reduces the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the Commission not restricted for any project or other purpose.

NEVADA COUNTY TRANSPORTATION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources as they are needed. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Commission considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Commission has provided otherwise in its commitment or assignment actions.

Use of Estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Budgetary Information: The Commission approves all budgeted revenues and expenditures for the Planning Fund. The Commission does not legally adopt annual budgets for the Local Transportation, State Transit Assistance, Regional Surface Transportation Program, Regional Transportation Mitigation Fee and State of Good Repair Special Revenue Funds. Budgeted revenues and expenditures represent the original budget, as approved by the Commission, and the final budget, which includes modifications of the original budget through amendments approved by the Commission during the year. Amendments which alter total expenditures within the Planning Fund require approval of the Board of Directors.

New Pronouncements: In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. This Statement enhances comparability in accounting and financial reporting and consistency in authoritative literature, including the classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; clarification of provisions of Statement 87, *Leases*, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset and identification of lease incentives; clarification of provisions in Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis for State and Local Governments*, related to the focus of the government-wide financial statements; terminology updates related to provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*; and terminology used in Statement No. 53 to refer to resource flows statements. The provisions of this Statement are effective immediately through periods beginning after June 15, 2023.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or paid in cash or settled through noncash means and leave that has been used but not paid in cash or settled through noncash means. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in the liability for compensated absences. This Statement requires that a liability for certain types of compensated absences, including parental leave, military leave and jury duty leave, not be recognized until the leave commences. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the

NEVADA COUNTY TRANSPORTATION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

amount that normally would be liquidated with expendable available financial resources. Governments are allowed to disclose the net change in the liability if identified as such in the footnotes to the financial statements. The provisions of this Statement are effective for years beginning after December 15, 2023.

The Commission is currently analyzing the impact of the required implementation of these new statements.

NOTE B – CASH AND CASH EQUIVALENTS

At June 30, 2023, the Commission's pooled cash and investments are classified in the accompanying financial statements as follows:

	Governmental Activities
Cash and investments	\$ 384,471
Restricted cash and investments	<u>13,669,179</u>
Total cash and investments	<u>\$ 14,053,650</u>

All of the Commission's cash and investments are held in the County pool as of June 30, 2023.

Investment Policy: California statutes authorize governmental agencies to invest surplus funds in a variety of credit instruments as provided in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. All of the Commission's cash is held in the County pool and the Commission does not have a separate investment policy

Investment in Nevada County Investment Pool: The Commission maintains its cash in an investment pool with the County of Nevada (the County), which is managed by the County Treasurer for the fiduciary funds. On a monthly basis, the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding categorization of investments and other deposit and investment risks applicable to the County's cash and investments pool may be found in the County's Annual Comprehensive Financial Report (ACFR). The County's ACFR may be obtained by contacting the County of Nevada Auditor-Controller's Office at 950 Maidu Avenue, Nevada City, CA 95959.

The County's Treasury Oversight Committee oversees the Treasurer's investments and policies. The value of the pool shares in the County's cash and investments pool that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Commission's position in the pool. Investments held in the County's cash and investments pool are available on demand and are stated at amortized cost, which approximates fair value.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2023, the weighted average maturity of the investment in the County's cash and investments pool was approximately 677 days.

NEVADA COUNTY TRANSPORTATION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023

NOTE B – CASH AND CASH EQUIVALENTS (Continued)

Credit Risk: Generally credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's cash and investments pool does not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Custodial credit risk does not apply to a local government's indirect deposits or investment securities through the use of government investment pools (such as the County of Nevada investment pool).

NOTE C – CAPITAL ASSETS

Capital asset activity consisted of the following for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
Governmental Activities				
Capital assets, being depreciated:				
Equipment	\$ 24,645			\$ 24,645
Right-to-use building	89,090			89,090
Total depreciable assets	<u>113,735</u>			<u>113,735</u>
Less accumulated depreciation/ amortization for:				
Equipment	(17,926)	\$ (3,079)		(21,005)
Right-to-use building	<u>(22,273)</u>	<u>(22,272)</u>		<u>(44,545)</u>
Total accumulated depreciation/amortization	<u>(40,199)</u>	<u>(25,351)</u>		<u>(65,550)</u>
Governmental activities capital assets, net	<u>\$ 73,536</u>	<u>\$ (25,351)</u>		<u>\$ 48,185</u>

Depreciation/amortization expense of \$25,351 for the year ended June 30, 2023 and was allocated to planning and administration.

NOTE D – INTERFUND TRANSACTIONS

Interfund transfers are used to move revenues from a fund that is required by statute to receive them to a fund that statute or budget requires to expend them. During the fiscal year, the Local Transportation Fund transferred \$716,865 to the Planning Fund as a part of the annual allocation of local transportation funds to support transit planning and Transportation Development Act administration. The RSTP and RTMF funds transferred \$18,520 and \$14,032, respectively, to the Planning Fund for certain program costs.

Amounts due to the Planning Fund from the Local Transportation Fund for \$87,114 represents the Commission's allocation of LTF funds not yet transferred as of June 30, 2023. Amounts due to the Planning Fund from the RSTP and RTMF funds of \$18,520 and \$143,032, respectively, represent approved allocations not yet remitted.

NEVADA COUNTY TRANSPORTATION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023

NOTE E – LONG-TERM LIABILITIES

The following is a summary of long-term liabilities transactions for the year ended June 30, 2023.

	Restated Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Current Portion
Compensated absences	\$ 122,053	\$ 41,223		\$ 163,276	\$ 45,717
Due to other agencies (Grass Valley)	3,126,201		\$ (12,501)	3,113,700	
Due to other agencies (Nevada County)		2,060,000		2,060,000	2,060,202
Lease liability	68,366		(22,335)	46,031	22,786
	<u>\$ 3,316,620</u>	<u>\$ 2,101,223</u>	<u>\$ (34,836)</u>	<u>\$ 5,383,007</u>	<u>\$ 2,128,705</u>

Due to Other Agencies: In July 2017, the Commission entered into an agreement with the City of Grass Valley to reimburse the City for expenditures incurred in relation to the Dorsey Drive Interchange Project. The Commission agreed to reimburse the City over time with RTMF funds. The amount recorded as due to other agencies – long-term of \$3,113,700 represents future RTMF monies that will be paid by the Commission to the City to reimburse them for the project as the fees become available.

The amount due to other agencies (Nevada County) of \$2,060,202 represents the amount loaned by the LTF to the County of Nevada Transit Fund to purchase buses until grant funds are received.

Lease Liability: The Commission leases its administrative facility under a 1993 lease that has been extended through June 30, 2025. For the purposes of discounting future payments on the lease, the Commission used a discount rate of 2%, which represents the Commission's estimated incremental borrowing rate. The total amount of lease assets for the year ended June 30, 2023 was \$89,090, and related accumulated amortization was \$44,545. The intangible right of use asset is being amortized over 4 years, the remaining term of the lease. Amortization expense was \$22,272 and interest expense was \$1,083 during the year ended June 30, 2023. Minimum lease payments over the remaining term of the lease include:

Year Ending June 30:	Principal	Interest
2024	\$ 22,786	\$ 713
2025	23,245	253
Total	<u>\$ 46,031</u>	<u>\$ 966</u>

NOTE F – PENSION PLAN

The Commission adopted by resolution a 457 Deferred Compensation Plan and a 401(a) Money Purchase Plan. Both plans are administered by MissionSquare Retirement and the funds are held in the MissionSquare Retirement Trust, a trust established by public employers for the collective investment of funds held under their respective retirement and deferred compensation plans. Employees have the option to select from one of the following two plans:

NEVADA COUNTY TRANSPORTATION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023

NOTE F – PENSION PLAN (Continued)

The 457 Deferred Compensation Plan provides for retirement income and other deferred benefits to the participants under the authority of Internal Revenue Code section 457. All Commission employees are eligible to participate. The plan provides for employer contributions of 17.13% of each participant's salary up to the maximum contribution allowed by the IRS. Employee matching contributions are not required. Contributions are 100% vested. The plan is maintained for the exclusive benefit of eligible employees and their beneficiaries and no part is reported as assets of the Commission or subject to the claims of the Commission's creditors. During the year ended June 30, 2023, there were five participants in the plan and the employer contributions to the plan totaled \$36,458.

The 401(a) Money Purchase Plan provides retirement income to participants under the authority of Internal Revenue Code section 401(a). All employees are eligible to participate. The plan provides for required employer contributions of 17.13% of each participant's earnings up to the maximum contribution allowed by the IRS. No participant contributions are required. Contributions are 100% vested. The plan is maintained for the exclusive benefit of eligible employees and their beneficiaries and no part is reported as assets of the Commission or subject to the claims of the Commission's creditors. During the year ended June 30, 2023, there were four participants in the plan and employer contributions to the plan totaled \$63,718.

NOTE G – RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in the prior year.

NOTE H – CONTINGENT LIABILITIES

Grants: The Commission receives grant funding for specific purposes that are subject to review and audit by the granting agencies. Such audits could result in a request for reimbursement for expenditures disallowed under the terms and conditions of the contracts. Management is of the opinion that no material liabilities will result from such potential audits.

Concentration: The Commission receives a significant amount of its Planning Fund revenues from LTF and state subvention funds. A loss of these revenue sources would have a significant impact on the Commission's activities.

NOTE I – RESTATEMENT

During the year ended June 30, 2023, the Commission discovered that a liability was not previously recorded for the allocation of RTMF revenue to the City of Grass Valley for the Dorsey Drive Interchange Project and the East Main Street Bennett Street Intersection Project to be paid out over time, as the funds become available. As a result, a restatement of net position and fund balance in the RTMF fund was reflected as of July 1, 2022, resulting in a decrease in these balances by \$3,168,477, the unpaid balance as of July 1, 2022.

(This page intentionally left blank.)

REQUIRED SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

NEVADA COUNTY TRANSPORTATION COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - PLANNING FUND

June 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final Budget Positive (Negative)
REVENUES				
Rural Planning Assistance	\$ 670,732	\$ 670,732	\$ 367,942	\$ (302,790)
STIP Planning (PPM)	155,670	155,670	99,865	(55,805)
Interest			8,612	8,612
Other revenues			2,175	2,175
TOTAL REVENUES	<u>826,402</u>	<u>826,402</u>	<u>478,594</u>	<u>(347,808)</u>
EXPENDITURES				
Current:				
Salaries and benefits	885,872	885,872	848,254	37,618
Program costs and professional fees	928,112	928,112	429,167	498,945
Rents and leases	28,000	28,000	3,095	24,905
Administrative costs	26,904	26,904	23,416	3,488
Insurance	24,750	24,750	13,317	11,433
Utilties	3,000	3,000	2,461	539
Debt service:				
Principal retirement			22,335	(22,335)
Interest			1,163	(1,163)
TOTAL EXPENDITURES	<u>1,896,638</u>	<u>1,896,638</u>	<u>1,343,208</u>	<u>553,430</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,070,236)</u>	<u>(1,070,236)</u>	<u>(864,614)</u>	<u>205,622</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>938,579</u>	<u>938,579</u>	<u>878,417</u>	<u>(60,162)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>938,579</u>	<u>938,579</u>	<u>878,417</u>	<u>(60,162)</u>
NET CHANGE IN FUND BALANCE	(131,657)	(131,657)	13,803	145,460
FUND BALANCE				
Beginning of year	<u>536,795</u>	<u>536,795</u>	<u>536,795</u>	
END OF YEAR	<u>\$ 405,138</u>	<u>\$ 405,138</u>	<u>\$ 550,598</u>	<u>\$ 145,460</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank.)

SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

NEVADA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF ALLOCATIONS AND EXPENDITURES
LOCAL TRANSPORTATION FUND

For the Year Ended June 30, 2023

Section	Purpose	Allocations	Disbursements	Undisbursed/ Unclaimed
99233.1 (Article 3)	TDA Administration NCTC	<u>\$ 738,432</u> 738,432	<u>\$ 572,870</u> 572,870	<u>\$ 165,562</u> 165,562
99233.2 (Article 3)	TDA Planning & Programming NCTC	<u>143,995</u> 143,995	<u>143,995</u> 143,995	
99234 (Article 3)	Pedestrian & Bicycle Nevada City	<u>61,500</u> 61,500	<u>61,500</u> 61,500	
99275 (Article 4.5)	Community Transit Services Nevada County Town of Truckee	<u>167,449</u> 34,030 201,479	<u>167,449</u> 34,030 201,479	
99400c (Article 8)	Contracted Transit Service Grass Valley Nevada City Town of Truckee Nevada County	<u>514,877</u> 126,063 669,516 2,680,167 3,990,623	<u>514,877</u> 126,063 662,134 2,453,654 3,756,728	<u>7,382</u> 226,513 233,895
	Total apportionment	<u>5,136,029</u>	<u>\$ 4,736,572</u>	<u>399,457</u>
	Less: Disbursements transferred to Planning Fund	(716,865)		
	Less: Deduction in eligibility	<u>(399,457)</u>		
	Total expenditures	<u>\$ 4,019,707</u>		
	Deduction in eligibility in accordance with CCR 6649			<u>(399,457)</u> <u>(399,457)</u>
	Total allocations payable			<u>\$ -</u>

NEVADA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF ALLOCATIONS AND EXPENDITURES
STATE TRANSIT ASSISTANCE FUND

For the Year Ended June 30, 2023

Section	Purpose	Final Apportionment	Disbursements	Undisbursed/ Unclaimed
6730(b)	Public Transportation Capital Town of Truckee	\$ 279,000 <u>279,000</u>	\$ 279,000 <u>279,000</u>	- <u>-</u>
6731(b)	Contracted Transportation Services Planning Nevada County Town of Truckee	23,802 418,827 <u>442,629</u>	23,802 170,383 <u>194,185</u>	 \$ 248,444 <u>248,444</u>
	Totals	<u>\$ 721,629</u>	<u>\$ 473,185</u>	248,444
	Deduction in eligiblity in accordance with CCR 6649			<u>(248,444)</u> <u>(248,444)</u>
	Total allocations payable			<u>\$ -</u>

NEVADA COUNTY TRANSPORTATION COMMISSION

SCHEDULE OF ALLOCATIONS AND EXPENDITURES
STATE OF GOOD REPAIR FUND

For the Year Ended June 30, 2023

Section	Purpose	Final Allocation	Disbursements	Undisbursed/ Unclaimed
99313	Contracted Transportation Services			
	Town of Truckee	\$ 163,258	\$ 163,258	\$ -
		<u>163,258</u>	<u>163,258</u>	<u>-</u>
	Totals	<u>\$ 163,258</u>	<u>\$ 163,258</u>	<u>-</u>
	Total allocations payable			<u>\$ -</u>

(This page intentionally left blank.)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS, THE TRANSPORTATION DEVELOPMENT ACT AND
OTHER STATE PROGRAM GUIDELINES

To the Board of Directors
Nevada County Transportation Commission
Nevada City, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Nevada County Transportation Commission (the Commission) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated March 28, 2024.

Report on Internal Control Over Financial Reporting

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

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

To the Board of Directors
Nevada County Transportation Commission

Report on Compliance and Other Matters (including Other State Grant Programs)

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Our audit was further made to determine that Transportation Development Act Funds allocated and received by the Commission were expended in conformance with the applicable statutes, rules and regulations of the Transportation Development Act and Sections 6661, 6662 and 6751 of the California Code of Regulations. The results of performing these tasks disclosed no instances of noncompliance with the applicable statutes, rules and regulations of the Transportation Development Act and other state program statutes and guidelines. 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*, the TDA or other state regulations.

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 result of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards*, the TDA and other State guidelines in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richardson & Company, LLP

March 28, 2024