



BUSINESS PLAN



FISCAL YEAR

2017

Operating Budget Plan | Capital Spending Plan | Short Range Transit Plan

INSIDE FRONT COVER
(NOT PRINTED)



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Michelle Flanagan
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Executive Director

Len Engel

May 24, 2016

Dear AVTA Friends and Stakeholders:

Another year is in the record books at AVTA.

It has been an exciting year at the Antelope Valley Transit Authority, as we have taken the Zero Emission Bus message all around the country. We have been working hard to meet our goal to operate a 100% battery electric revenue fleet by the end of 2018 – there have been some successes and a couple of lost opportunities. On the plus side, through competitive procurements we now have active projects with BYD Bus & Coach for up to 85 battery electric buses and WAVE, Inc. for 11 high power inductive chargers and 32 receivers. Our first two inductive chargers will be put into service this summer at Lancaster City Park and Palmdale Transportation Center. AVTA becomes the first transit agency to have multiple inductive chargers in use. Our first two electric buses continue to operate at a better-than-advertised range that is typically 20% above BYD's 155 miles announced range. As we move forward with our depot charging project we continue to have a positive partnership with Lancaster Choice Energy (LCE); we are predicting some of the best electricity rates in the state for our buses and facilities which is positive news for our operating budget. Work will start this fall on the first phase of the depot charging project as the new buses start to arrive.

AVTA's website and social media applications have been developing nicely. The Marketing staff is doing a good job keeping content fresh which encourages regular online visits. The website is getting just under 300 unique visits per day, which are very respectable numbers. On the planning side, we have several new tools that allow us to easily estimate the resources needed when planning new services; as we finish the year, our Intelligent Transportation System (ITS) project, Track-It, is becoming more reliable and a popular service tool for our passengers to use.

Our Finance Department has done it again, with the third straight year that AVTA's Comprehensive Annual Financial Report was awarded the Certificate of Excellence in Financial Reporting by the Government Finance Officers Association.

Fiscal year 2015/16 is going to be so exciting. We are working on a Mobility on Demand grant that has the potential to make tremendous improvements to our rural transit service; we are waiting on results for a grant that would institute car share service in the AV and the launching of a 50 unit, all-electric van fleet in carpool service to the Los Angeles basin; and a solar energy production and storage project that would have the capability to charge 29 buses overnight.

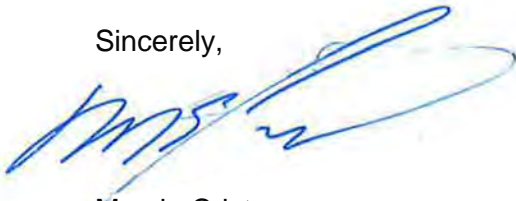
With the service change scheduled to occur in the first month of the fiscal year, Route 1 will be offering 20 minute service on the way to an even more frequent 15 minute service in 2018. The second big event for Route 1 in FY17 will be the addition of new 60' battery electric articulated buses beginning in the fall. AVTA will operate nine "artics" as we begin the transition to the proposed Bus Rapid Transit (BRT) service.

We plan to deliver improved service with an operating budget of \$25.1 million and a capital budget of \$34.9 million. Of the total, \$28.7 million will be used to acquire battery electric buses and install the infrastructure to charge them; funding will be provided from a California State Transit Agency (CalSTA) grant and internal matching sources.


We will continue to focus on our Zero Emission Goal and step up our efforts to take our message of positive operations and relationships with our partners at BYD and WAVE. The result will be an efficiently operated transit system providing more jobs for the Antelope Valley.

This Business Plan is an important step toward achieving our vision. Thank you for being a part of our success!

Sincerely,

A handwritten signature in blue ink, appearing to read 'Marvin Crist', with a large, sweeping flourish at the end.

Marvin Crist
Chairman

A handwritten signature in blue ink, appearing to read 'Len Engel', with a stylized, cursive script.

Len Engel
Executive Director

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EXECUTIVE SUMMARY

About AVTA

The Antelope Valley Transit Authority (AVTA) is located in Southern California, approximately 70 miles north of Los Angeles. Its principal office and bus facility is situated in the City of Lancaster, California.

AVTA was formed to provide and administer public transportation services for the citizens of Lancaster, Palmdale and certain unincorporated sections of the County of Los Angeles in the Antelope Valley area. The Greater Antelope Valley area encompasses over 3,000 square miles, includes both Northern Los Angeles County and Eastern Kern County and is home to approximately 500,000 residents. The Antelope Valley provides a thriving environment for economic growth and offers a wide range of benefits to businesses seeking to relocate or expand their operations.

AVTA began operations with three services: Transit, Commuter and Dial-A-Ride. AVTA's total service area covers 1,200 square miles and is bounded by the Kern County line to the north, the San Bernardino County line to the east, the Angeles National Forest to the south, and Interstate 5 to the West. AVTA's customer base continues to grow; commuter ridership alone has increased by over 25% over the past three years.

AVTA's fleet of battery-electric buses will grow to 36 during FY17. In addition to its two original BYD buses, five ex-Metro 40' buses are expected to become operational during the first quarter of FY17. Thanks to a \$24.4 million grant from the State of California's Transit and Intercity Rail Capital Operating Program, thirteen 60' articulated buses and sixteen 45' commuter coaches are expected to be delivered during the fiscal year.

Organization

The Antelope Valley Transit Authority (AVTA) is a public entity created on July 1, 1992, pursuant to Section 6506 of the Government Code of the State of California. AVTA was formed under a Joint Exercise of Powers Agreement (JPA). Its members consist of the County of Los Angeles and the cities of Lancaster and Palmdale. The JPA members jointly contribute capital and operating funds to AVTA each year to assist in the provision of transit services to the Antelope Valley area.

AVTA is governed by a six-member Board of Directors with governance responsibilities over all activities related to the AVTA. The Board is comprised of two directors from each participating jurisdiction. An Executive Director manages day to day operations and implements Board policy in accordance with the duties specified in the applicable sections of the Government Code of the State of California and the JPA. The Board of Directors is comprised of the following members:

Board of Directors

Member	Jurisdiction
Marvin Crist	City of Lancaster
Angela Underwood-Jacobs	City of Lancaster
Dianne Knippel	Los Angeles County
Michelle Flanagan	Los Angeles County
Steve Hofbauer	City of Palmdale
Fred Thompson	City of Palmdale

Board of Directors



Chair
Marvin Crist
City of Lancaster



Director
Angela Underwood-Jacobs
City of Lancaster



Vice Chair
Dianne Knippel
County of Los Angeles



Director
Michelle Flanagan
County of Los Angeles



Director
Steven D. Hofbauer
City of Palmdale



Director
Fred Thompson
City of Palmdale



Executive Director
Len Engel
Antelope Valley Transit Authority

The Board of Directors: Beyond Governance

AVTA’s Board of Directors take their role of representing the Antelope Valley in providing high quality transportation services very seriously. Beyond their responsibilities of governance: legal concerns, stewardship comes their advocacy of AVTA. Board Members work tirelessly to direct and support AVTA’s strategic mission, becoming an important extension of the Authority’s public relations effort.

Due to their extensive civic involvement, Board members serve many rolls. For example, Lancaster Vice-Mayor Chairman Marvin Crist serves as AVTA’s Board Chairman; he also serves as the Chairman of the Antelope Valley Air Quality Management District (AVAQMD). His combined knowledge of AVAQMD’s Clean Air Mission and AVTA’s electric bus fleet conversion strategy made it possible for AVTA to win a competitive AVAQMD grant that will fund critical infrastructure costs.

Board members ensure that the Antelope Valley’s elected representatives are kept up-to-date with jurisdictional issues and AVTA’s progress. Staff is able to include letters of support and advocacy for the Authority’s aggressive grant funding search and other initiatives at the local state and federal level.

The Board’s activities go beyond governance; management is grateful to our Directors for their advocacy efforts and support.

Transit Advisory Committee (TAC)

A Transit Advisory Committee was established in 1992 to provide input to the Board of Directors. TAC membership is composed of two representatives from each member jurisdiction. The TAC meets in accordance with a schedule directed by the Board; typically, meetings occur on the second Tuesday of each month, two weeks prior to the Board meeting.

TAC Members include the following:

Member	Jurisdiction
Allen Thompson	City of Lancaster
Tammie Holladay	City of Lancaster
Ann Meiners	Los Angeles County
Jordan Catanese	Los Angeles County
Brian Kuhn	City of Palmdale
Sayne Redifer	City of Palmdale

TDA Article 8 Unmet Needs Process – 2015 Findings

Each year, AVTA appears before a hearing board and meets with a Social Services Transit Advisory Committee (SSTAC) to solicit input and evaluate whether any unmet transit needs exist in the AVTA service area that may be reasonable to meet using TDA Article 8 funds. The hearings and SSTAC meetings are scheduled by Los Angeles Metro staff, and are held only in areas not served by LA Metro (Avalon, Santa Clarita and the Antelope Valley). The hearing board consists of three representatives, one each from Palmdale, Lancaster, and Los Angeles County and/or Santa Clarita.

This year the process was concluded at a Hearing Board meeting held on March 16, 2016. The Hearing Board found that there were no unmet transit needs that were reasonable to meet using Article 8 funds, and recommended that AVTA continue to monitor and evaluate all available funding sources.

AVTA Vision and Values

Vision

We are the recognized leader – regionally and nationally – in providing public transportation that improves mobility and serves as a catalyst for economic opportunity for those who live, visit, or work in the communities we serve.

We exceed customer expectations by providing service that is:

Safe and reliable

Valued by the community

Responsive and innovative

Caring and courteous

Cost effective

Values

Communication:

We value communication that is timely, direct, open and honest.

Respect:

We demonstrate respect for our customers, team members, and stakeholders.

Transparency:

We demonstrate accountability and transparency in all activities.

Empowerment:

We empower our team members with resources to achieve our vision.

Stewardship:

We make decisions that protect the public trust.

Accomplishments, Assumptions and Goals

FY16 Accomplishments

EXECUTIVE SERVICES

- Initiated a Rider Relief Transportation Program to help reduce the cost of public transportation for eligible riders
- In partnership with the Antelope Valley Air Quality Management Board, the City of Lancaster and Los Angeles County, AVTA inaugurated the Senior Annual Pass Program
- AVTA was supported by its Board of Directors in establishing a goal to operate a 100% electric Bus Fleet by 2018
- AVTA was awarded a \$24.4 million Grant from the Transit and Intercity Rail Capital Program from the California Transportation Agency
- AVTA received the 2016 Sustainability Award for Excellence in Green Region Initiative by the Southern California Association of Governments
- Executive Director Len Engel was named to the American Public Transit Association's Small Operators Committee, and serves on the Executive Committee of the California Transit Association

OPERATIONS & MAINTENANCE

- Initiated a Fare Increase program as of September 1, 2015
- Took delivery of 3 Gillig clean diesel local transit buses. These buses are the final diesel local transit replacements
- Took delivery of 5 MCI commuter coaches, including 2 expansion buses funded by the JARC Commuter Expansion Program. These coaches are the final diesel commuter replacements
- Initiated construction of Inductive Charging at Lancaster City Park and Palmdale Transportation Center

FINANCE

- Completed the FY15 CAFR with an unqualified ("clean") opinion, and the Single Audit Report with no findings or questioned costs
- Installed PowerPlan software to enhance budgeting and reporting efforts
- Created a model to predict fleet electricity usage for Lancaster Choice Energy
- Completed change of primary banking relationship to Union Bank
- Commenced the Money Room security and environmental upgrade project

MARKETING AND CUSTOMER SERVICE

- Developed a marketing campaign that supports the electric bus fleet conversion project and encourages community support
- Successfully implemented a new fare structure after a comprehensive Fare Study and community outreach effort
- Improved the Rider Relief and inaugurated the Senior Annual Pass Programs in the Antelope Valley
- Developed the Senior Annual Pass Program
- Developed the new livery for the electric bus fleet
- Met the Customer Service telephone hold target maximum of 1 minute

FY17 Goals

EXECUTIVE SERVICES

- Continue AVTA primary strategic goal, the electrification of its bus fleet
- Continue the principle strategy of acquiring funding through aggressive state and federal advocacy efforts. Working grant applications, or those planned to be applied for, include:
 - California Air Resources Board (ARB) (FY17 round)
 - California Transportation Agency (CALSTA) Transit and Intercity Rail Capital Program (TIRCP) (FY16 Round)
 - Low Carbon Transit Operations Program (LCTOP) (FY16)
 - Low or No Emission Vehicle Deployment Program (LoNo) (FY16)
 - Transportation Investment Generating Economic Recovery (TIGER) (FY16)
- Conclude the architectural and engineering planning and begin construction of the charging infrastructure necessary to keep pace with the acquisition of battery electric buses.
- Operationalize inductive charging capabilities at Lancaster City Park and Palmdale Transportation Center
- Start construction of depot charging capabilities at AVTA's facilities; operationalize depot charging as battery elective buses arrive as diesel fleet replacements.

OPERATIONS & MAINTENANCE

- Place 5 battery electric local transit replacement buses (formerly Metro vehicles) into service
- Take delivery and place into service (13) 60' articulated battery electric local transit buses
- Take delivery and place into service (16) 45' battery electric commuter service coaches
- Complete integration of inductive charging facilities into regular bus operations.
- Implement the June 2016 Service Changes as approved by the Board of the Directors

FINANCE

- Complete the FY16 CAFR and Single Audit Report with an unqualified opinions; qualify for the fourth consecutive Award of Excellence in Financial Reporting
- Update cash flow models for long term fleet acquisition and replacement efforts
- Enhance Management involvement and value of monthly budget to actual reporting
- Complete the Money Room equipment and environmental upgrade project

MARKETING AND CUSTOMER SERVICE

- Host a ribbon cutting ceremonies for the inauguration of inductive charging capability at Lancaster City Park and the Palmdale Transportation Center
- Train customer service to use the TAP database to investigate passenger issues
- Coordinate a safety and security education program between the Sheriff's Department and Transdev operators to ensure preparedness
- Develop a weekly fare enforcement effort with assistance from AVTA's Sheriff's Deputy
- Create a comprehensive marketing plan for FY16/17
- Orchestrate media events to support all milestone achievements associated with the Electric Bus Fleet Conversion Project

FY17 OPERATING BUDGET

Operating Summary

On May 24, 2016, the AVTA Board of Directors approved a balanced Fiscal Year 2017 operating budget of \$25.1 million and a capital budget of \$34.9 million. The table below compares operating revenues and expenses for Fiscal Year 2015 (Actuals), Fiscal Year 2016 (Adopted Budget and Projected Year-End) and the proposed Fiscal Year 2017 Budget.

The Authority’s FY17 plan is spend \$25.1 million for operations, using \$5.9 million from fare revenues, and \$19.1 million from operating subsidies and jurisdictional operating contributions. Total FY17 revenues increased 3.5% from the FY16 Mid-Year Projections. Sources of the increases include higher fare revenues, Access Free Fare Reimbursements and increases in MTA funding sources. Sources ending in FY17 include Job Access Reverse Commute (JARC) Mobility Management and the 10-Year California State Proposition 1B program; AVTA is receiving final bridge funding (\$0.4 million) through LA Metro’s Formula Allocation Plan. \$6.3 million in flexed 5307 Urbanized Formula Funds are budgeted to support operations.

Total expenses are budgeted to increase by 7.3% over the estimated year-end expenses at Mid-Year FY 16. The increases are occurring from annual increases in fixed route and Dial-A-Ride contract costs, service expansion mileage projected to take place July 25, 2016, and continued state and federal advocacy expenses to support new funding efforts. The Authority is benefitting from the lower cost of diesel fuel, and will continue to do so as AVTA continues its transition to an all-electric fleet. The cost of electric power is approximately 1/3 of diesel fuel, and with fewer maintenance tasks, the operating costs of the fleet are expected to steadily decrease over time.

Operating Revenues

Ex. A – Operating Budget Summary and Comparisons (\$ millions)

Description	FY 15 Actual	FY 16 Budget	FY 16 Mid Year	FY 17 Budget (Proposed)	% Change FY16 Mid Year vs. FY17 Budget (Proposed)
Fare Revenue	\$4.84	\$5.13	\$5.31	\$5.88	10.6%
Operating Subsidies & Jurisdiction Contributions	18.87	18.67	18.77	19.18	2.2%
Total Revenues	23.71	23.80	24.09	25.06	4.0%
Purchased Transportation	13.83	14.36	14.38	15.79	9.8%
Fuel, Operating Expense and G&A Expense	7.29	9.44	8.97	9.26	3.3%
Total Expenses	21.12	23.80	23.35	25.05	7.3%
Income/(Loss) before Capital Contributions	\$2.59	\$0.00	\$0.74	\$0.00	-100.0%

Figures net of depreciation.

Operating Reserve

Beginning in FY13, a separate operating reserve was established with a beginning balance of \$250,000. The Authority added \$250,000 in FY14 and \$1,285,000 in FY15 for a total of \$1,485,000. Based on review of the Authority’s audited financial statements, along with the capital requirements for acquiring battery-electric buses, additional funds may be set aside for the Operating Reserve. The ultimate goal is the creation of a reserve equivalent to three months of cash operating expenses.

Capital vs. Operating Funding

AVTA’s funding is classified as Capital or Operating. Capital Revenues are earmarked for specific expenditures, typically capital projects; FTA 5307 Urbanized Formula Funds can be optioned for use as operating support. Operating Revenues are used primarily to finance AVTA’s general transit activities and provide matching funds required for capital expenditures.

Operating Revenues

AVTA’s operating revenues are comprised of fare revenues, LA Metro operating subsidies, contributions from member jurisdictions, and auxiliary (miscellaneous) revenue. Auxiliary revenues arise from such sources as the SCE Rebate Program (from the AVTA Facilities solar power project, advertising revenues and interest from investments.

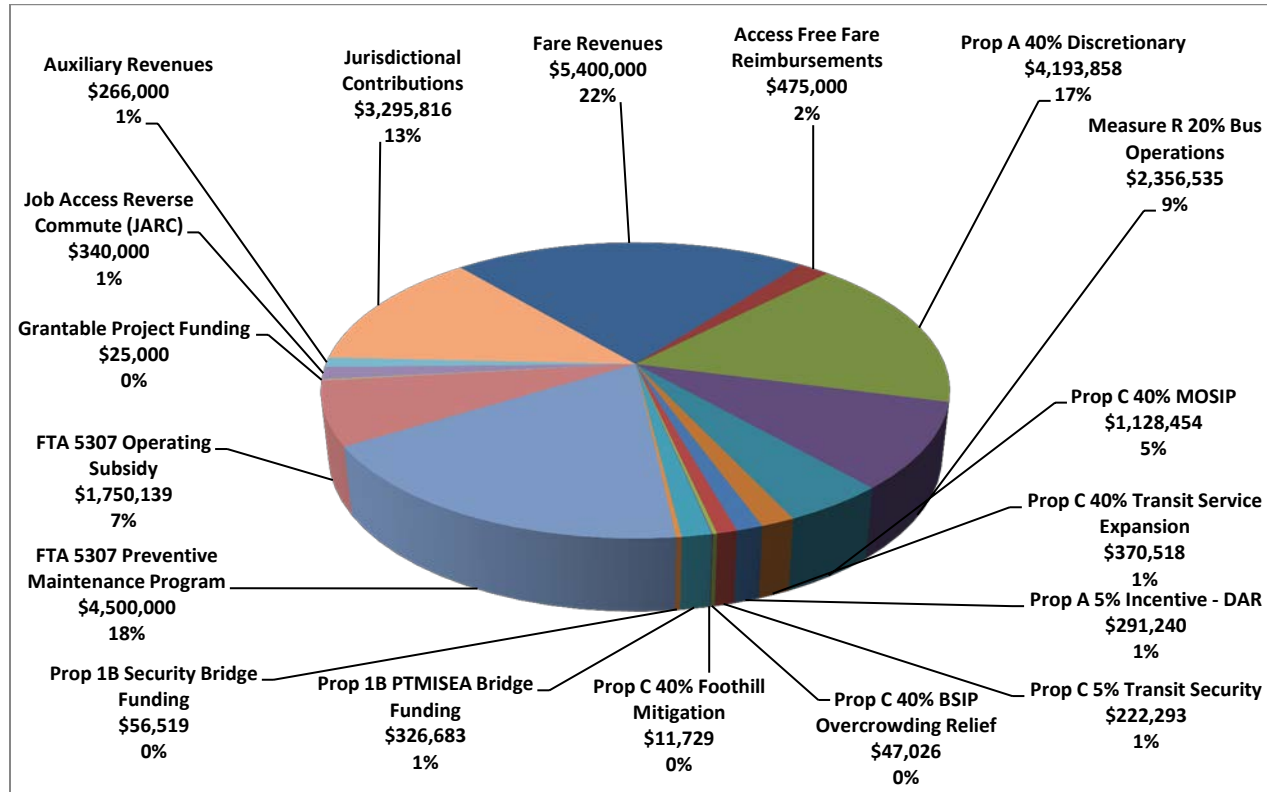
The chart below depicts the budgeted operating revenues for FY16.

Ex. B – Fiscal Year 2017 Funding Sources for Operations

Farebox Revenue			\$5,875,000
State and Local Tax Revenues (from Metro)		9,004,855	
Total Federal Subsidies		6,250,139	
Total Local and Federal Operating Subsidies			15,254,994
JARC Funds made available for Operations			340,000
Grantable Projects			25,000
Auxiliary Revenues			266,000
City of Lancaster		1,375,981	
City of Palmdale		1,266,160	
Los Angeles County		653,676	
Total Jurisdictional Contributions			3,295,816
Total Funds Available for Operations			25,056,810

Exhibit C shows the relative amounts and percentages of FY17 Operating Revenue:

Ex. C – Fiscal Year 17 Operating Revenue Sources - \$25.1 Million



Fare Revenues

Fare revenues are unrestricted revenues collected directly by AVTA from passengers. Through June 2015, ridership and farebox recovery ratios for local service for the same period of time had both declined as more and more people took advantage of AVTA’s free ride program for seniors, disabled, veterans and the active military. Fortunately, the Commuter Service continues to show a strong farebox recovery ratio, which has remained in excess of 70% over the past three years and is instrumental in maintaining an overall ratio better than the FTA minimum of 20%.

Fare revenues include the EZ Transit Pass program, introduced in 2003 as Los Angeles County’s first countywide regional transit pass program. It was intended to simplify transit fare payment for transit passengers. AVTA has employed the use of the LA Metro-approved “Single Average Fare” methodology to determine the amount of reimbursement for EZ Transit Pass passenger boardings. This methodology considers actual fare revenues received, measured against actual passenger boardings.

On September 1, 2015, AVTA enacted a change in its Fare Structure, the first increase to occur in nearly 10 years. This change also eliminated all free fares, including the fare for seniors and disabled riders; this fare class went to 75¢, half the new regular fare of \$1.50.

The 75¢ fare for disabled and senior riders also enabled AVTA to avail itself of Access Services’ Free Fare Reimbursement Program, where AVTA is reimbursed for vetted Access riders who took regular AVTA local transit trips instead of Access trips. In order to control costs Access (who provides paratransit

services for Los Angeles County) and Metro (the agency that funds the contract with Access Services) proposed capping the Free Fare program at FY15 levels. AVTA was offered an annual reimbursement fixed at \$475K, 66% of the calculated amount based on the conditions in the MOU with Access. Negotiations continue with Access as this budget goes to the Board of Directors for adoption.

Revenue from Local Sales Taxes

AVTA receives local sales tax revenue from Propositions A and C, and Measure R through the Los Angeles Metropolitan Transit Authority. See Appendix C for detailed descriptions of these funding sources.

Operating Support from Federal Grant Funds

The terms of FTA 5307 Urbanized Formula Fund grants permit agencies with less than 100 buses to divert substantial portions of the funds to support operating expenses. AVTA uses these funds to offset preventive maintenance and expenses paid under its operating contract with Transdev.

State Funding

Proposition 1B funds are the only state funds that the Authority receives. Typically, the funds are provided in advance of their use. Under Generally Accepted Accounting Principles (GAAP) the funds are classified as deferred revenues until earned. Revenue recognition occurs when a qualifying expense paid by the Authority can be reimbursed by the deferred funds. The Proposition 1B program ends in FY17; there is no information available on successor funding from the State of California.

MTA Funding for Fiscal Year 2016

Total MTA Operating subsidies allocated through the Los Angeles County Metropolitan Transportation Authority (Metro) annual funding marks for FY16 are 2.0% higher than last year. This is due to increases in the State Transit Assistance Funds allocated to the Proposition A 40% Program, and to Proposition C40% Municipal Operators Service Improvement Plan (MOSIP).

Proposition A 95%, 40% Discretionary Funds, and Measure R Clean Fuels and AVAQMD Funds when available, can provide local match funds for capital expenditures; see the FY17 Capital plan for application of these funds. Exhibit D shows the individual contributions for all tax revenue provided through Metro's Formula Allocation Plan:

Ex. D – MTA Funding Comparisons (\$ millions)

FUNDING SOURCE	FY15	FY16	FY17	\$ Change	% Change
Proposition A 95%, 40% Discretionary	\$4,337,039	\$4,421,062	\$4,193,858	(\$227,204)	(5.1%)
Proposition A 5% of 40% Incentive - DAR	277,968	320,426	291,240	(29,186)	(9.1%)
Proposition C 5% Transit Security	211,122	208,459	222,293	13,834	6.6%
Proposition C 40% Overcrowding Relief (BSIP)	45,280	46,172	47,026	854	1.8%
Proposition C 40% Transit Service Expansion	356,760	363,788	370,518	6,730	1.8%
Proposition C 40% Foothill Mitigation	16,110	20,566	11,729	(8,837)	(43.0%)
Proposition C 40% MOSIP	1,029,489	1,074,562	1,128,454	53,892	5.0%
Measure R 20% Bus Operations	2,234,115	2,195,723	2,356,535	160,812	7.3%
Total MTA Subsidies	8,507,883	8,650,758	8,621,653	(29,105)	(0.3%)
Local Match (from Prop A 40% Discretionary)	(215,097)	(201,825)	0	201,825	100.0%
Net MTA Subsidies available for Operations	\$8,292,786	\$8,448,933	\$8,621,653	\$172,720	2.0%

Other Revenue Sources

Job Access Reverse Commute (JARC) funds are available for the Voucher/ETP Program and for the Operating Expense portion of the Commuter Expansion Grant, the same grant that allowed AVTA to purchase 2 MCI commuter Coaches that were delivered during FY16.

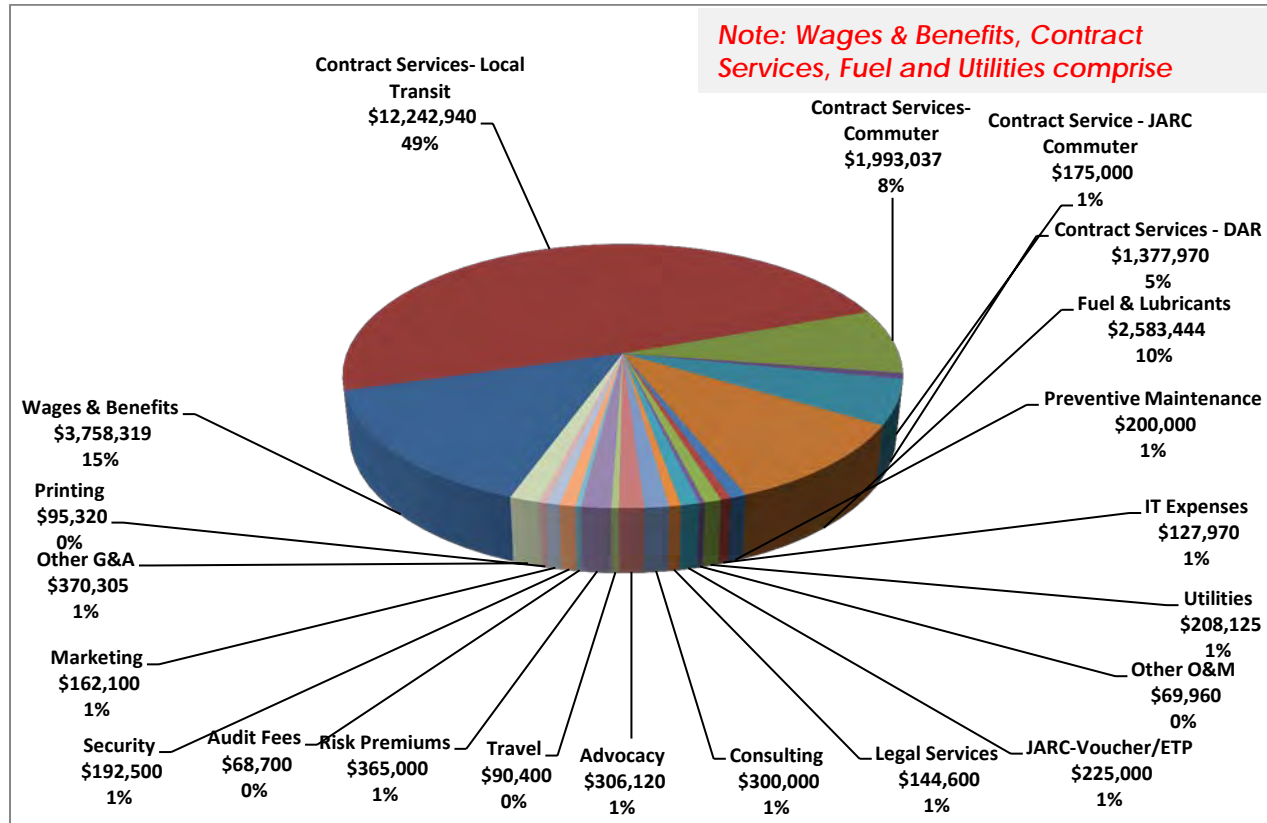
Auxiliary Revenue for FY17 includes Advertising Revenue, SCE Rebate Revenue and interest Income.

Jurisdictional Contributions included operating contributions from the Los Angeles County, the City of Palmdale (contribution plus the city’s Bus Stop Maintenance Program) and the City of Lancaster (contribution plus the University Loop Service) for FY17. The Jurisdictional Split for FY17 is 21% for Los Angeles County, 38% for the City of Palmdale, and 41% for the City of Lancaster.

Operating Expenses

The following chart illustrates the major expense components for the FY17 Budget.

Ex. E– Fiscal Year 17 Operating Expenses - \$25.1 million



Key assumptions for FY17 include an unchanged FY16 headcount of 34 full time and 6 part time employees. Titles and job descriptions of several positions were changed. The Executive Director assumed the title of Chief Executive Officer; a Chief Administrative Officer position was added, the Director of Operations and Maintenance was inactivated, and the Director of Communications position was discontinued. The Director of Finance was promoted to Chief Financial Officer, and the Manager of Fleet and Facilities was promoted to Director of Fleet and Maintenance. Headcount was maintained by the addition of a new position, Innovation Coordinator, reporting to the Executive Director/CEO. A 5% maximum merit pool for wages and a 10% increase in benefits premiums are included in the FY17 Wages & Benefits Budget. Retirement expense for FY17 is 15.47%, covered by AVTA for all employees hired prior to January 1, 2013, and 12.5% shared equally by AVTA and all employees hired after January 1, 2013 who are covered by PEPR rules.

A new requirement under Governmental Accounting Standards Board (GASB) No. 68 requires government pension plans to fully fund all current and future retirement payments; this is accomplished by making additional, unassigned annual payments until the funding difference has been made up. AVTA paid CalPERS \$19K in FY16, and will pay \$26k during FY17.

For FY17, service levels as of March 2016 are being carried over at increased levels from FY16; these increases include additional costs for commuter standby and staging contingencies for aging commuter coaches, and additional costs for services changes scheduled to occur on July 25, 2016. As is customary, scheduled service changes to improve route efficiencies will continue. The award of the Transit and Intercity Rail Capital Program (TIRCP) award will fund the acquisition of 29 replacement battery electric buses, including 13 larger 60' articulated buses. These buses will be deployed to handle the high demands of Route 1 with additional carrying capacity and reduced headways. While not yet determined as of the date of this budget, these changes could add to current service levels.

Budgeted increases per operating contracts are included in fixed route services (3% annual increases) and Dial-A-Ride services (1.5% annual increases), both effective January 1, 2017.

Security services assume no additional costs for the Angeles County Sheriff transit deputy and Sheriff's fair enforcement officers to maintain safety and farebox recovery results of AVTA operations.

Legal fees were increased for FY17 to accommodate potential litigation-related exposure, although the bulk of primary fees for actual court action are covered under the Authority's risk program.

Consulting for FY17 includes the continuation of Coach Operator Audits, which has proven to be effective in improving AVTA's Key Performance Indicators (KPI's). An Origin & Destination Study for the Authority's routes is schedule for the half of FY17, and additional contingency budget is included for unplanned consulting needs.

With the \$24.4 million award of the California State Transportation Agency's (CALSTSA) Transit and Intercity Rail Capital Project Grant (TIRCP) Grant in FY16, management is continuing its investment in targeted advocacy programs at both state and federal levels. Funds of \$306K have been budgeted for California state advocacy and related travel, recognizing that there are a number of transit-related grant opportunities available through programs funded by the California Energy Commission and the California Cap & Trade Programs. An additional \$64K was budgeted for Federal Advocacy for programs such as Transportation Investment Generating Economic Recovery (TIGER) and Low or No Emission Vehicle Deployment Program (LoNo) grants. AVTA will continue to actively and aggressively apply for all funding opportunities that will continue the Board of Director's mandate to transition to an all-electric bus fleet.

The FY17 travel and training budget has been held to the same levels as the prior year, with emphasis on more selective industry-related travel. The Tuition Assistance budget used in prior year has been re-tasked to fund educational topics that will increase job-related skills.

Updated risk premiums have resulted in a minimum increase of 10% increase; the depot and inductive charging facilities will certainly raise these costs as these large projects and the increased batter-electric bus costs will increase the Authority's insurable value.

GAAP Presentation of Federally Funded Consulting Projects

The consulting operating projects listed above that are "grantable" under federal funding guidelines are reported as overhead in the Authority's financial statements under GAAP rules. A total of \$49K in consulting and planning projects and \$194K in JARC projects are supported by capital funding, but are included in expense.

Diesel Fuel Price Trend

Fuel costs are budgeted at \$3.50/gallon, a reduction from \$4.25 in FY16. Fuel price trends show a 58-month trailing average price of \$3.26 per gallon (see Exhibit G). The fossil fuel equivalent of the electricity cost for the electric buses has been reduced and reflected separately from the cost of fossil fuel; the diversion of fuel from diesel to electric will continue as the Authority brings more electric buses into service.

Fuel cost trends for the period from July 2011 through April 2016 are shown in the next illustration.

Ex. F – Diesel Fuel Price per Gallon - July 1, 2011 to April 15, 2016



Statistics	
Max:	\$4.04, 2/25/13
Min:	\$1.99, 1/17/15
Average:	\$3.26
Beginning of Period:	\$3.51
End of Period:	\$2.17

5-Year Operating Plan

The 5-Year Operating Plan is a conservative plan that reflects fare inflows increasing at 3.5% over the period of FY17-FY21. MTA Tax Revenue-based funding and Auxiliary Revenues are both set to increase at 5% increase. 5307 Funds allocated for Preventive Maintenance Support were increased by \$100k annually in support of the annual increase to the operating contracts, while Operating Support was held at \$1.5 million and is adjusted to help cover gaps in out-year funding. Use of the 5307 is always balanced against the Capital Plan requirements.

It is important to note that the State of California’s Proposition 1B Program expires in 2017, and the JARC Voucher/ETP and Commercial Expansion Programs are assumed to continue until 2018. While no replacement income from these sources is assumed in the AVTA’s 5-Year Plan, it is hoped that the income will continue based on program extensions or replacement by new programs to maintain revenue levels beyond FY18. The Plan also assumes the continuation of Federal funding through the out-years based on the just-passed Fixing America’s Surface Transportation (FAST) Act.

Operating costs with Transdev and IntelliRide have been increased at each January 1st by 3% and 1.5% for fixed route and Dial-A-Ride respectively, as required by current contracts. Wages & Benefits are increased by 10% annually, attributable largely by the increasing cost trends of the national Affordable Care Act. Operating expenses and general & administrative expense are increased at 1.5% per year. All years end on favorable-to-budget Changes in Net Position figures. While management assumes that AVTA will receive sufficient new grant funding to complete the conversion to an all-electric bus fleet, cash flow from positive net earnings has been made available as sources for the Authority’s capital spending plan.

Ex. G –Fiscal Year 2017-2021 5-Year Operating Plan

5-Year Operating Plan-DRAFT						
Description	Budget 2017	2018	2019	2020	2021	Total
Operating Revenue						
Fare Revenue	5,875,000	6,080,625	6,293,447	6,513,718	6,741,698	31,504,487
Jurisdictional Operations Contributions	3,295,816	3,295,816	3,295,816	3,295,816	3,295,816	16,479,080
MTA Tax and State Revenue	9,004,855	9,052,736	9,505,372	9,980,641	10,479,673	48,023,277
5307 Funds for Operations & Preventive Maintenance	6,250,139	6,100,000	6,200,000	6,300,000	6,400,000	31,250,139
Other Federal Funding for Operations (JARC)	365,000	380,000	0	0	0	745,000
Auxiliary Revenue	266,000	279,300	293,265	307,928	323,325	1,469,818
Total Operating Revenue	25,056,810	25,188,477	25,587,900	26,398,103	27,240,511	129,471,801
Operating Expenditures						
Contractor Costs	15,564,873	15,800,960	16,084,257	16,545,692	17,020,652	81,016,435
Fuel (Fossil Fuel & Electricity)	2,583,444	1,344,559	784,248	627,258	807,411	6,146,920
Other Operating Expenditures	1,055,129	1,070,956	1,087,020	1,103,325	1,119,875	5,436,304
Wages & Benefits	3,758,319	3,914,404	4,078,206	4,250,167	4,430,761	20,431,858
Other General & Administrative Costs	2,095,045	2,126,471	2,158,368	2,190,743	2,223,604	10,794,231
Total Operating Expenditures	25,056,810	24,257,350	24,192,099	24,717,186	25,602,303	123,825,747
Change in Net Position	0	931,127	1,395,801	1,680,917	1,638,208	5,646,054
Fare Box Recovery Ratio	23.4%	25.1%	26.0%	26.4%	26.3%	25.4%

FY17 CAPITAL PROGRAM BUDGET

Capital Revenues

AVTA’s FY17 Capital Spending Plan totals record high \$34.9 million. Of the total, \$21.3 million is from a \$24.4 million grant from the State of California State Transportation Agency’s Transit and Intercity Rail Capital Project (TIRCP). The balance of capital revenues supporting the spending plan are composed of federal capital funds, various local funding sources and capital reserve funds to provide local match requirements. No increase in jurisdictional capital contributions were planned for FY17.

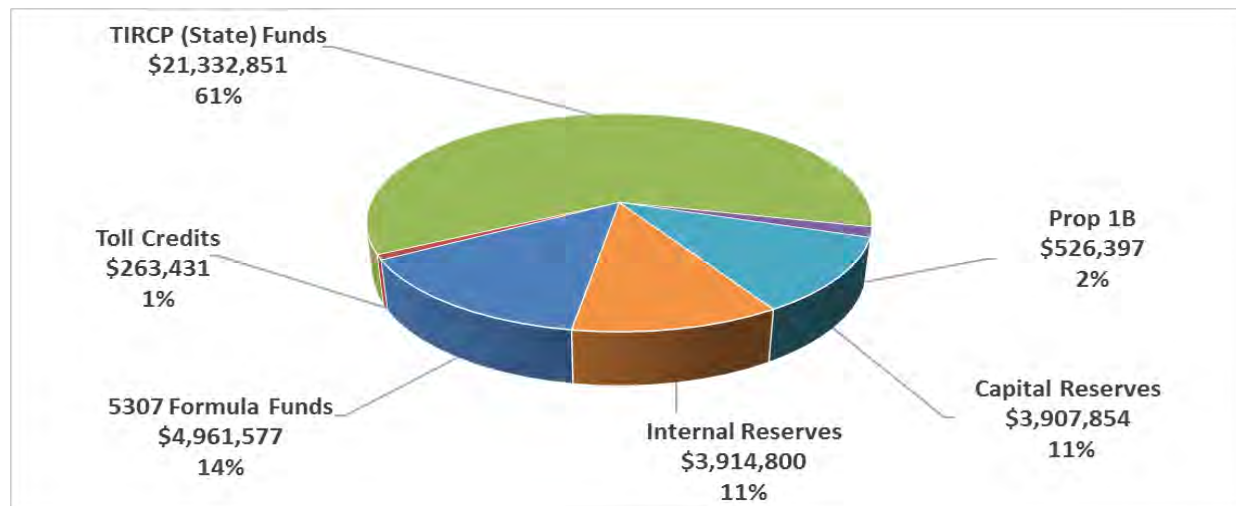
TIRCP was created to provide grants from the Greenhouse Gas Reduction Fund to fund capital improvements and operational investments to modernize transit systems while reducing greenhouse gas emissions by reducing vehicle miles traveled in the state of California.

The Federal Transit Administration (FTA) provides funding to urbanized areas for transit capital and operating assistance as part of the Urbanized Area Formula Program (Section 5307). An urbanized area (UZA) is an incorporated area with a population of 50,000 or more. AVTA serves the Lancaster/Palmdale UZA; since the Lancaster/Palmdale area is also part of Los Angeles County, AVTA also receives partial funding allocations from the Greater Los Angeles/Long Beach UZA via the Los Angeles Metropolitan Transportation Authority (Metro) as well.

The FY17 Business Plan includes \$597K from the LA/LB UZA share of Sec. 5307. The allocation is made to AVTA based on vehicle revenue miles, population and density, through Metro’s Formula Allocation Plan (FAP). See Appendix C for detailed descriptions of these funding sources.

Funding for capital expenditures in FY17 comes from the projected carryover of FY16 FTA Section 5307 Funds and associated toll credits totaling \$4.8 million and \$12.4 million of FY17 funds, net of \$6.1 million of flexible use funds supporting preventive maintenance and operating expenses. Additional funds will be provided by Proposition A 40% Discretionary sales tax revenues, the final distributions of the Proposition 1B PTMISEA funds and Proposition 1B Transit Security bond revenues, Local AVAQMD Funds when received, Jurisdictional Capital payments, Proposition A 40% discretionary funds, and internal funds reserved for capital spending support purposes.

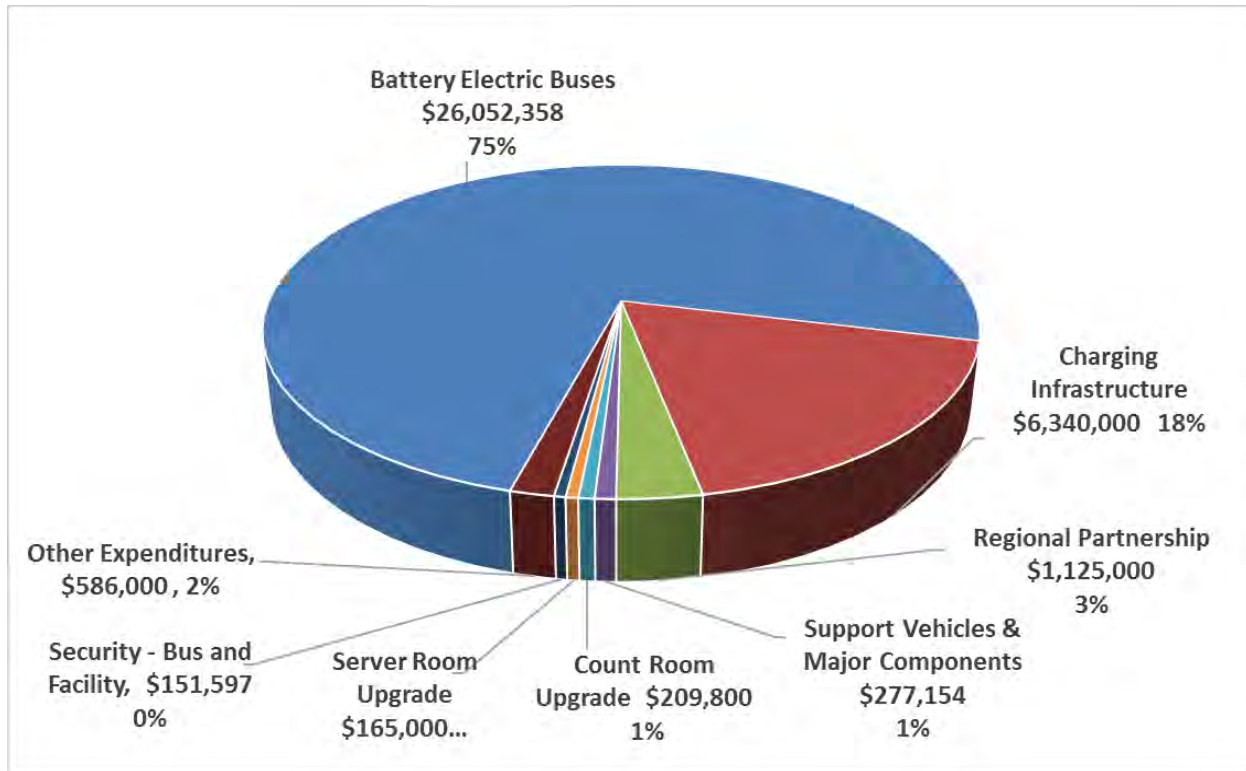
Ex. H – Fiscal Year 17 Capital Funding Sources - \$34.9 million



Capital Expenditure Plan

Exhibit J below breaks out the capital projects planned for FY 2016 of \$138 million.

A total of \$26.1 million will be spent on battery electric fleet vehicles, \$6.3 million for depot and en-route charging infrastructure, \$1.1 million for Regional Partnership Projects, \$277K for support Vehicles and major components, \$375K in facilities upgrade projects, \$152 for bus and F. Several projects underway in FY15 will conclude in FY16, including the Document Management System. Other expenditures include \$1.2 million for refurbishment and rebuilding of the current fleet to maintain service, \$865K for Regional Partnership Projects and \$893K for administrative and maintenance facilities, shop equipment, data infrastructure and bus related facilities.

Ex. I – Fiscal Year 2017 Capital Projects - \$34.9 million

FY 2016 Capital Funds Carryover

The FY 2016 Capital Budget includes projects approved for FY16 and prior fiscal years that have not been completed and are thus carried over to the current fiscal year. Funds remaining at the conclusion of the projects are reallocated through the budget process and programmed in the Transportation Improvement Program (TIP) for inclusion in future grants. Details of the \$8.1 million in carryover funds from FY16 are shown by project in the table below. The carryover will be used for the FY17 Capital Spending Plan, preventive maintenance and operating support, and planned out-year purchases.

Ex. J – Estimated Federal Grant Funding Carryover

Project Description	Projected Carryover Funds
Local Transit BE Bus Replacements (6)	\$6,681,424
Inductive Charging at LCP & PCT	435,090
Facilities Charging Project	297,689
Major Components & Midlife Refurbishme	82,154
Regional Partnership Program	363,882
Maintenance Software	50,000
Safety - Bus & Facility	239,000
Total	\$8,149,240

Federal Funding by Urbanized Area

The following table details FTA funding split between the Lancaster-Palmdale UZA and the Los Angeles/Long Beach UZA. The Lancaster-Palmdale UZA funds come directly from FTA, while the LA/Long Beach UZA funds are received through Metro.

Ex. K – FY 17 Federal Funding for the Lancaster/Palmdale Urbanized Area*

Description	Lancaster-Palmdale UZA	LA Metro UZA	Total
5307 - Urbanized Formula Funds	\$9,632,276	\$597,209	\$10,229,485
5337 - State of Good Repair	915,294	0	915,294
5339 - Bus & Bus Facilities	657,398	0	657,398
Total	\$11,204,968	\$597,209	\$11,802,177

*Figures per Metro FAP Report, Draft #3, dated April 30, 2016.

Note: Total Federal Funds shown in the 5-Year Capital Plan includes JARC Funds and Toll Credits in addition to the 53XX series grants shown in Exhibit K.

Capital Spending Plan for FY 2016

The capital plan for Fiscal Year 2016 has been developed in a manner that consolidates all anticipated project funding sources and associated grant numbers. The total capital plan for the upcoming fiscal year is \$13,798,100. The following table lists total funding by project and funding sources.

Ex. L – FY17 Capital Program by Project

	GL No.	PROJECT	FY 17 GRANTABLE Budget Items
Vehicle Purchase and Maintenance			
Electric Bus Infrastructure Improvements			
1a		Facility charging stations (85) + B/U Generator	\$ 3,500,000
	various	TIRCP + LCTOP + CFP + Internal Reserves	
1b		250kVA Development	\$ 1,400,000
1c		Secondary Chargers	\$ 1,440,000
	various	TIRCP + LCTOP + CFP + Internal Reserves	
Infrastructure Improvements			\$ 6,340,000
Replacements and Expansion			
2		60' BE Articulated Local Transit Replacement	\$ 13,633,126
		45' BE Commuter Coach Replacement	\$ 12,419,232
		TIRCP + LCTOP + CFP + Internal Reserves	
3		CalSTA Administration Fee (payments for FY16 & 17)	\$ 231,000
	various	TIRCP	
4		Major Bus Components	\$ 82,154
	TBD	Grant CA-90-Z256	
5		Support Vehicles	\$ 195,000
	TBD	Grant CA-90-Z256	
Replacement and Expansion Total			\$ 26,560,512
Total Vehicles and Maintenance			32,900,512

Fiscal Year 2017 Capital Program, Continued

	GL No.	PROJECT	FY 17 GRANTABLE Budget Items
Facilities Equipment & Upgrades			
Regional Partnership Projects			
6		Antelope Valley Mall	\$ 220,000
	9909059	Grant CA-90-Y968	
7		Antelope Valley College	\$ 220,000
	9909059	Grant CA-90-Y968	
8	1	35th St. E & Palmdale w/CalTRANS	\$ 440,000
9		35th St. E & Palmdale AVTA only	\$ 50,000
	9909059	Grant CA-90-Y968	
10		47th St E & Ave S	\$ 160,000
	9909059	Grant CA-90-Y968	
11		35th St E & Ave R	\$ 35,000
	9909059	Grant CA-90-Y968	
12		Digital Signage	\$ 100,000
	TBD	Grant CA-90-Z256	
Regional Partnership Projects Total			\$ 1,225,000
Facilities Equipment			
13		Server Room Upgrade + A/C + Backup A/C	\$ 165,000
		Prop 1B PTMISEA + Bridge Funds	
14		Equipment & Other	\$ 100,000
	TBD	Grant CA-90-Z256	
Facilities Equipment Total			\$ 265,000
Money Room Equipment Upgrade			
15		Coin Conveyor System	\$ 18,300
	9909068	Prop 1B Transit Security + Bridge Funds	
16		Vault Relocation	\$ 45,500
	9909068	Prop 1B Transit Security + Bridge Funds	
17		Security Equipment (doors, cameras, panic button)	\$ 116,000
	9909068	Prop 1B Transit Security + Bridge Funds	
18		HVAC Upgrade	\$ 30,000
	9909068	Prop 1B Transit Security + Bridge Funds	
Money Room Equipment Total			\$ 209,800
Total Facilities, Money Room and Regional Partnerships			\$ 1,699,800

Fiscal Year 2017 Capital Program, Continued

	GL No.	PROJECT	FY 17 GRANTABLE Budget Items
Other Projects			
Data & Communication			
19		Server Hardware Refresh (2)	\$ 30,000
	9909072	Grant CA-90-Z129	
20		Technology Repair & Additions	\$ 25,000
		Grant CA-90-Z129	
21		Communication System Upgrade	\$ 50,000
	TBD	Grant CA-90-Z256	
22		Software Modifications (Asset Mgmt + Maint Mgmt)	\$ 50,000
	9909073	Grant CA-90-Z129	
Data and Communications Total			\$ 155,000
Security - Bus and Facility			
23		Hazard Mitigation	\$ 55,811
	Prop 1B TS	Prop 1B Transit Security	
24		Safety Management System	\$ 95,786
	Prop 1B TS	Prop 1B Transit Security	
Safety - Bus & Facility Total			\$ 151,597
TOTAL Other Projects			\$ 306,597
FY17 Capital Project Total			\$ 34,906,909

Five-Year Capital Improvement Program

On December 4, 2015, President Obama signed the new surface transportation reauthorization bill, Fixing America's Surface Transportation (FAST) Act. In addition to funding levels that rose a quarter of a billion dollars over Federal Fiscal Year 2015, \$55 million was designated for Low- or No- (LoNo) Emission Bus Deployment Projects. Also, the Bus and Bus Facilities program included a new program for Cost-Effective Capital Investment that encourages states to share bus funding resources among eligible recipients.

AVTA has actively applied for LoNo grants; the latest application is going out as this budget is being readied for adoption. The Authority was awarded \$24.4 million through the State of California's Transit and Intercity Rail Capital Program, a successful tie-in between California's efforts to reduce greenhouse gases and AVTA strategic plan of operating an all battery-electric bus fleet. The Authority has been constantly engaged for the past sixteen months in researching and applying for all grants that will aid in completing this project by 2018. This effort is vigorous and ongoing.

In the proposed FY17 Five-Year Capital Improvement Plan, AVTA will continue its strategy of fleet replacement with electric buses. Two electric local transit buses have been in service for 18 months and have provided a wealth of operations and maintenance data. Five more local transit buses are expected to arrive prior to the end of FY16. These are 'pre-owned' units originally purchased by LA Metro and returned to BYD. BYD will recondition and ready them for service with complete service warranties. The TIRCP grant is funding the procurement of 29 buses, (13) 60' Articulated Local Transit Buses, and (16) 45' Commuter Coaches. Delivery will take place in FY17, but are likely to arrive between December 2016 and March 2017.

Ex. M below is the 5-Year Capital Spending Plan. Replacement electric buses beyond the 34 units described in the previous paragraph are planned out through FY2018, with accompanying expenditures for the requisite charging expenditure. The model acknowledges the fact that there is a \$14 - \$15 million shortfall that must be addressed to complete the project in the 3 year target window. The project schedule and capital spending can be delayed if necessary to reach the all-electric bus fleet.

Ex. M – 5-Year Capital Program

5-Year PROPOSED Capital Spending Plan						
3-Year Battery Electric Bus Fleet Conversion						
Description	Budget 2017	2018	2019	2020	2021	Total
Funding						
Rollover from prior year	\$8,149,240	\$535,143	\$100,000	\$100,000	\$6,966,557	\$8,149,240
Federal Funds (53XX)	12,405,608	12,746,242	12,770,930	13,146,557	13,533,454	64,602,791
Transit and Intercity Rail Capital Program #1	13,078,259	11,324,741	0	0	0	24,403,000
Low Carbon Transit Operations Program #1	40,632	0	0	0	0	40,632
<i>Additional Funding To Be Determined</i>	0	7,588,748	6,588,631	0	0	14,177,379
Current Year Funding	25,524,499	31,659,731	19,359,561	13,146,557	13,533,454	103,223,802
Total Rollover and Current Year Funding	33,673,739	32,194,875	19,459,560	13,246,557	20,500,011	111,373,042
Federal Funds tasked for Operations	(6,250,139)	(6,100,000)	(6,200,000)	(6,300,000)	(6,400,000)	(31,250,139)
Capital Funds available for Spending	27,423,600	26,094,875	13,259,560	6,946,557	14,100,011	80,122,903
Local Match Funds (Tax Revenue/Metro)	383,202	415,000	0	415,000	0	1,213,202
Capital Reserve Funds	3,907,854	2,399,754	466,959	0	0	6,774,567
Internal Reserve Funds	3,474,800	4,329,700	1,822,360	0	0	9,626,860
Total funds available for Capital Spending	35,189,455	33,239,329	15,548,880	7,361,557	14,100,011	97,737,532
Capital Spending						
40' BE Local Transit Bus Replacements	0	15,430,905	11,756,880	0	0	27,187,785
60' BE Articulated Local Transit Bus Replacements	13,633,126	0	0	0	0	13,633,126
45' BE Commuter Coach Replacements	12,419,232	9,314,424	0	0	0	21,733,656
CalSTA Administrative Support Costs	231,000	154,000	0	0	0	385,000
Depot & En-Route Charging	6,340,000	7,465,000	3,142,000	0	0	16,947,000
Total, BE Buses and Charging Costs	32,623,358	32,364,329	14,898,880	0	0	79,886,567
Other Capital Expenditures	2,030,954	775,000	550,000	395,000	2,298,000	5,674,154
Capital Spending by Year	34,654,312	33,139,329	15,448,880	395,000	2,298,000	85,560,721
Rollover/Deficit	535,143	100,000	100,000	6,966,557	11,802,011	12,176,811

Capital Reserves

In FY12, AVTA set up a separate, interest-bearing account for capital reserve contributions received from each member jurisdiction where funds are deposited in accordance with the AVTA's Investment Policy.

The operating support and capital reserve contribution amounts have not changed in nine years, except for minor adjustments to the jurisdictions for annual service change recalculations. The use of capital reserve funds has been limited to providing capital matching funds for new buses, and has yet to be used as of the date this budget goes to the Board for adoption. Although no funds have been drawn to cover

local match through FY15, FY16 and beyond will see the active use of capital reserve funds to cover local match requirements.

Ex. N – Adequacy of Capital Reserve for Local Match Requirements

Description	2017	2018	2019	2020	2021	Total
3-Year Battery Electric Bus Acquisition Plan						
Count Beginning of Year	7	36	69	85	85	7
Local Transit-40'	-	21	16	-	-	37
Local Transit-60'	13	-	-	-	-	13
Commuter Coach-45'	16	12	-	-	-	28
Number Acquired	29	33	16	-	-	78
Count at End of Year	36	69	85	85	85	85
Capital Reserve Activity*						
Reserve Balance at Beginning of Year	5,366,321	1,938,794	5,999	1,167	464,438	5,366,321
Add: Jurisdictional Funding	460,960	460,960	460,960	460,960	460,960	2,304,800
Bus Matching Draws	(3,907,854)	(2,399,754)	(466,959)	-	-	(6,774,567)
Add: Interest Income	19,367	5,999	1,167	2,311	4,627	33,471
Reserve Balance at End of Year	1,938,794	5,999	1,167	464,438	930,025	930,025

**Matching funds at 15% of Acquisition Cost*

As shown above, the current reserve balance, contribution levels and proposed usage are insufficient to cover the matching requirements for 83 remaining buses to be procured in the next three years.

The analysis reveals a cumulative shortfall of approximately \$2.6 million; coverage will come from external federal, state and local funds (when appropriate and allowable), internal fund sources and new grant awards as they occur. After the buses are procured in this scenario, the fund rebuilds to \$930K by the end of Year 5, FY2021.

Toll Credits

AVTA is also eligible to use part of its federal funding allocation in the form of toll credits instead of local matching funds, as long as appropriate applications are made and approved prior to the purchase. The use of Toll Credits mean that an \$800,000 bus can be purchased with \$800,000 in federal funds instead of 85% federal funds (\$680,000) and 15% local match (\$140,000). This allows AVTA to use more federal capital funds and less matching funds, but doing so results in less federal funds available for other capital projects. Local match requirements for projects other than buses must be provided from operating funds unless toll credits or other special programs are available.

The following table shows the amounts of available toll credits in FY17.

Ex. O – FY17 Available Toll Credits

Description	CY \$
Capital Toll Credits	\$ 263,431
Preventive Maintenance Toll Credits	860,000
Operating Toll Credits	75,000
Total	\$1,198,431

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 6 Management Positions
 28 Full-Time Non-Management Positions
 6 Part-Time Positions (5 @ 32.5 hours/week and 2 @ 27.5 hours per week)

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**Total Budgets for Fiscal Year 2017
Comparative View - Summary Budget**

**Antelope Valley Transit Authority
Summary Operating Budget
Fiscal Year 2017**

Description	FY 15 Actuals	FY 16 Adopted	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
Operating Revenues	\$8,655,079	\$8,817,290	\$9,028,590	\$9,436,816	\$408,226	4.5%
Non Operating Revenues	8,330,396	8,682,933	8,814,448	15,594,994	6,780,546	76.9%
Capital Contributions	12,635,824	6,296,814	6,243,501	25,000	(6,218,501)	(99.6%)
Total Revenues	29,621,299	23,797,037	\$24,086,539	25,056,810	970,271	4.0%
Purchased Transportation	13,832,936	14,359,441	14,382,170	15,788,947	(1,406,777)	(9.8%)
Fuel	2,293,702	3,032,167	2,709,401	2,583,444	125,957	4.6%
Other Operating Costs	738,071	1,044,994	1,298,870	1,023,555	275,315	21.2%
General and Administrative Costs	1,074,209	1,531,475	1,468,036	1,902,545	(434,509)	(29.6%)
Salaries & Benefits	3,425,576	3,828,960	3,492,249	3,758,319	(266,070)	(7.6%)
Operating Expenses	21,364,494	23,797,037	23,350,726	25,056,810	(1,706,084)	(7.3%)
Net of Revenue & Expenses	\$8,256,806	\$0	\$734,694	\$0	734,694	100.0%

**Total Budgets for Fiscal Year 2017
Comparative View – Detailed Budget**

**Antelope Valley Transit Authority
Detailed Operating Budget-REVENUES**

Fiscal Year 2017
PAGE 1 of 3

Description	FY 15 Actuals	FY 16 Adopted	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
Fare Revenue	\$4,844,045	\$5,127,542	\$5,312,162	\$5,875,000	\$562,838	10.6%
Operating Contributions - Lancaster	1,269,309	1,302,002	1,302,262	1,307,036	4,774	0.4%
Operating Contributions - Palmdale	1,217,703	1,186,240	1,186,425	1,184,980	(1,445)	(0.1%)
Operating Contributions - LA County	658,680	657,449	657,580	653,676	(3,904)	(0.6%)
Route 8- Lancaster contribution	68,943	68,943	68,957	68,944	(13)	(0.0%)
Transporter- LA County	0	0	0	0	0	0.0%
Bus Stop Maintenance Palmdale	77,270	79,200	79,214	81,180	1,966	2.5%
Member Contributions - Operation	3,291,906	3,293,834	3,294,438	3,295,816	1,378	0.0%
I.D. Sales	6,630	6,000	6,000	5,000	(1,000)	(16.7%)
Southern California Edison Rebates	248,070	170,005	103,071	36,000	(67,071)	(65.1%)
Advertising Revenue	162,917	180,000	219,363	180,000	(39,363)	(17.9%)
Other Non-Transportation Revenues	65,969	8,909	39,035	0	(39,035)	(100.0%)
Investment Income	19,767	15,000	14,896	20,000	5,104	34.3%
Gain on Sale of Disposal of Assets	0	0	9,372	0	(9,372)	(100.0%)
Contributions for Charity	15,775	16,000	30,253	25,000	(5,253)	(17.4%)
Other Operating Revenues	519,128	395,914	421,989	266,000	(155,989)	(37.0%)
Operating Revenues	8,655,079	8,817,290	9,028,590	9,436,816	408,226	4.5%
FTA:5307 Operating Subsidy	0	0	0	1,750,139	1,750,139	0.0%
FTA:5307 Prev Maint	0	0	0	4,500,000	4,500,000	0.0%
Grants & Subventions - Federal	0	0	0	6,250,139	6,250,139	0.0%
MTA:PROP A DISCR-GROWTH > CPI	4,165,129	4,219,237	4,320,236	4,193,858	(126,378)	(2.9%)
MTA:PROP C 40%-FOOTHILL MITIG	16,110	20,566	20,563	11,729	(8,834)	(43.0%)
MTA:PROP C 40%-TRANSIT SRVC EX	356,760	363,788	363,861	370,518	6,657	1.8%
MTA:PROP C 40%-BUS SRVC IMPRV	45,280	46,172	46,181	47,026	845	1.8%
MTA:PROP C 5%-BUS SECURITY ENH	211,122	208,459	208,232	222,293	14,061	6.8%
MTA:PROP C 40%-MOSIP	1,029,489	1,074,562	1,074,384	1,128,454	54,070	5.0%
MTA-MEASURE R	2,234,115	2,195,723	2,195,928	2,356,535	160,607	7.3%
MTA Prop A DAR	272,391	320,426	320,490	291,240	(29,250)	(9.1%)
Grants and Subventions - County	8,330,396	8,448,933	8,549,876	8,621,653	71,777	0.8%
PROP 1B - PTMISEA	0	0	0	326,683	326,683	0.0%
Prop 1B - Security Funding	0	0	0	56,519	56,519	0.0%
Grants and Subventions - State of Califor	0	0	0	383,202	383,202	0.0%
JARC - Commuter Expansion	90,354	210,032	210,032	175,000	(35,032)	(16.7%)
JARC Voucher/ETP Program	0	181,000	181,000	165,000	(16,000)	(8.8%)
Digital Signage	0	38,250	38,000	0	(38,000)	(100.0%)
JARC Mobility Mgmt - DISC	0	14,750	14,750	0	(14,750)	(100.0%)
Grants and Subventions - Other Public A	0	234,000	264,572	340,000	75,428	28.5%
Non Operating Revenues	8,330,396	8,682,933	8,814,448	15,594,994	6,780,546	76.9%
Federally Grantable Project Funding	0	45,000	22,509	25,000	2,491	11.1%
Z059/ Preventative Maintenance/ 11.7A.	691,800	1,641,782	0	0	0	0.0%
Z059/ Operation Assistance/ 30.09.01	0	4,400,000	0	0	0	0.0%
Z129 Preventative Maintenance	4,300,000	0	0	0	0	0.0%
Z129 Operation Assistance	2,000,000	0	0	0	0	0.0%
TBD/ FTA Preventative Maintenance	0	0	4,400,000	0	(4,400,000)	(100.0%)
TBD/ FTA Operating funds	0	0	1,641,782	0	(1,641,782)	(100.0%)
Federal Grants	7,082,154	6,296,814	6,243,501	25,000	(6,218,501)	(99.6%)
Total Revenues	24,067,630	23,797,037	24,086,539	25,056,810	970,271	4.0%

**Total Budgets for Fiscal Year 2017
Comparative View – Detailed Budget**

**Antelope Valley Transit Authority
Detailed Operating Budget**

Fiscal Year 2017

PAGE 2 of 3

Description	FY 15 Actuals	FY 16 Adopted	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
Contract Services - Incentives/DAR	0	12,000	6,002	12,000	5,998	99.9%
Contract Services - Other Pass Throughs	85,757	5,000	5,324	0	(5,324)	(100.0%)
Contract Services- Pass Throughs (Bill Co)	2,622	0	0	0	0	0.0%
Contract Services- Local & Commuter	12,601,425	12,948,881	13,000,000	13,694,903	694,903	5.3%
Contract Services- DAR	955,988	1,159,040	1,142,818	1,365,970	223,152	19.5%
Contract Services - JARC Comuuter Exp	0	0	0	175,000	175,000	0.0%
Contract Services- E- Bus	187,144	234,520	228,026	541,074	313,048	137.3%
Purchased Transportation	13,832,936	14,359,441	14,382,170	15,788,947	1,406,777	9.8%
Fuel & Lubricants	2,283,517	3,024,667	2,698,881	2,542,800	(156,081)	(5.8%)
Fuel - Use Tax	10,185	7,500	10,520	7,320	(3,200)	(30.4%)
eBus Electricity	0	0	0	33,324	33,324	0.0%
Fuel	2,293,702	3,032,167	2,709,401	2,583,444	(125,957)	(4.6%)
Tow Services	0	0	15,000	5,000	(10,000)	(66.7%)
Facility Maintenance - Supplies	517	3,500	12,309	25,000	12,691	103.1%
Facility Maintenance - Outside Services	23,545	25,000	18,439	0	(18,439)	(100.0%)
I.T.-Maintenance - Computer Equipment	1,119	10,000	6,564	11,200	4,636	70.6%
Maintenance - Bus Stops (Non- Grantabl	23,730	25,000	12,941	5,000	(7,941)	(61.4%)
I.T.--Maintenance - Labor	0	0	0	7,120	7,120	0.0%
I.T.--Maintenance - Parts & Supplies	8,809	20,000	12,941	8,500	(4,441)	(34.3%)
Operating Permits	6,799	5,000	6,212	10,000	3,788	61.0%
I.T.--Software Agreements/Licenses	144,961	108,250	95,663	101,150	5,487	5.7%
Rental / Lease Expense	841	7,204	6,771	14,460	7,689	113.6%
Uniform Upkeep-AVTA (Non-Grantable)	6,230	10,500	5,651	10,500	4,849	85.8%
Utilities - Electricity	95,145	61,000	90,000	66,000	(24,000)	(26.7%)
Utilities - Gas	31,888	20,000	19,821	27,000	7,179	36.2%
Utilities - Waste	8,025	7,500	7,325	7,725	400	5.5%
Utilities - Water	7,190	12,000	9,190	7,500	(1,690)	(18.4%)
Vehicle Registration-Non Revenue Vehi	0	0	0	0	0	0.0%
37-X171/JARC-DAR	33,419	181,000	174,085	175,000	915	0.5%
Mobility Mgmt	71,630	42,000	336,932	50,000	(286,932)	(85.2%)
TBD/ Preventative Maintenance Grant	67,758	200,000	200,000	200,000	0	0.0%
Electricity - E Buses	0	24,000	24,000	0	(24,000)	(100.0%)
256/FTA Preventative Maintenance	0	45,000	47,220	0	(47,220)	(100.0%)
Telephone & Fax	47,190	49,540	49,540	99,900	50,360	101.7%
Security Service/Sheriff's Deputy	159,273	188,500	148,266	192,500	44,234	29.8%
Other Operating Costs	738,071	1,044,994	1,298,870	1,023,555	(275,315)	(21.2%)
Liability, Fire & Other Insurance	265,163	286,285	275,923	365,000	89,077	32.3%
Publications	317	757	636	750	114	17.9%
Procurement Advertising	11,890	12,000	24,000	20,000	(4,000)	(16.7%)
Marketing	118,498	139,400	120,461	162,100	41,639	34.6%
Legal Services	60,668	115,000	65,000	144,600	79,600	122.5%
Memberships	43,713	45,000	50,000	46,000	(4,000)	(8.0%)
Office Supplies	16,284	22,100	17,310	20,000	2,690	15.5%
Postage and delivery services	5,665	10,000	10,000	10,000	0	0.0%
Consulting Fees	233,846	300,000	300,000	300,000	0	0.0%
Administrative Costs	0	0	225	3,000	2,775	1233.3%
Advocacy Support Fees	0	194,000	194,000	306,120	112,120	57.8%

**Total Budgets for Fiscal Year 2017
Comparative View – Detailed Budget**

**Antelope Valley Transit Authority
Detailed Operating Budget-EXPENSES**

**Fiscal Year 2017
PAGE 3 of 3**

Description	FY 15 Actuals	FY 16 Adopted	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
Printing Services	57,333	77,023	68,279	95,320	27,041	39.6%
Training and Meetings	70,579	70,000	80,103	90,400	10,297	12.9%
Audit Fees	60,000	65,790	73,290	68,700	(4,590)	(6.3%)
Bad Debt Expense/Miscellaneous Expen	1,197	2,000	1,000	1,000	0	0.0%
Bank Fees	10,824	25,000	36,000	36,000	0	0.0%
Credit&Debit Card Fees	0	600	300	1,800	1,500	500.0%
Employee Advertising & Recruitment	20,287	3,000	3,500	3,000	(500)	(14.3%)
Employment Screening/ Audits	23,346	37,270	30,000	36,380	6,380	21.3%
Temporary Staffing	0	5,000	1,500	5,000	3,500	233.3%
Miscellaneous Special Events	33,613	49,700	53,567	54,475	908	1.7%
Tap card fee	3,616	3,000	3,505	5,000	1,495	42.7%
Website Maintenance	10,736	14,300	7,153	16,600	9,447	132.1%
Professional Development	0	0	0	40,000	40,000	0.0%
Sales Expense for CPOS	4,450	5,000	5,041	0	(5,041)	(100.0%)
Charitable Donations	15,751	34,000	35,577	25,000	(10,577)	(29.7%)
Sponsorships	11,350	15,250	11,667	21,300	9,633	82.6%
Inventory Adjust to Physical	-4,918	0	0	0	0	0.0%
Stuff-A-Bus	0	0	0	40,000	40,000	0.0%
General and Administrative Costs	1,074,209	1,531,475	1,468,036	1,902,545	434,509	29.6%
FT- Regular Salaries	1,920,523	2,512,526	2,153,474	2,549,877	396,403	18.4%
FT - Overtime Wages	4,810	10,000	8,424	0	(8,424)	(100.0%)
Double Time Pay Holiday/C	0	5,000	4,254	0	(4,254)	(100.0%)
FT- Paid Sick Leave	92,702	0	29,836	0	(29,836)	(100.0%)
FT- Paid Vacation Leave	148,582	0	47,388	0	(47,388)	(100.0%)
FT- Holiday Pay	105,294	0	56,568	0	(56,568)	(100.0%)
FT- Floating Holiday	11,562	0	6,311	0	(6,311)	(100.0%)
Medicare ER	35,732	38,707	37,140	0	(37,140)	(100.0%)
State UI - ER	17,436	15,038	8,442	0	(8,442)	(100.0%)
CalPERS - GASB 68 Catch Up	0	0	10,846	25,916	15,070	138.9%
CalPERS EE	405,595	425,452	376,776	0	(376,776)	(100.0%)
Deferred Compensation - ER Contributio	8,704	10,710	14,432	0	(14,432)	(100.0%)
Medical - ER - FT	356,241	443,443	389,753	0	(389,753)	(100.0%)
Dental - ER - FT	25,803	30,511	29,764	0	(29,764)	(100.0%)
Vision - ER - FT	5,234	5,888	5,851	0	(5,851)	(100.0%)
Group Life - FT	4,466	5,139	4,992	0	(4,992)	(100.0%)
Short-term Disability - FT	15,558	18,379	17,143	0	(17,143)	(100.0%)
Long-term Disability	9,627	11,413	10,639	0	(10,639)	(100.0%)
AD & D	956	1,103	992	0	(992)	(100.0%)
Workers' Compensation	62,066	88,491	82,037	0	(82,037)	(100.0%)
Staff Development	7,200	20,000	11,804	0	(11,804)	(100.0%)
Fringe Benefits	0	0	717	1,057,481	1,056,764	100.0%
PT- Regular Salaries	164,353	178,949	166,513	125,045	(41,468)	(24.9%)
PT- Paid Sick Leave	4,738	0	1,595	0	(1,595)	(100.0%)
PT- Paid Vacation Leave	5,406	0	6,057	0	(6,057)	(100.0%)
PT- Holiday Pay	6,397	0	3,145	0	(3,145)	(100.0%)
PT- Floating Holiday	449	0	325	0	(325)	(100.0%)
Long-term Care - ER - PT	6,141	8,211	7,030	0	(7,030)	(100.0%)
Salaries & Benefits	3,425,576	3,828,960	3,492,249	3,758,319	266,070	7.6%
Total Operating and G&A Expense	\$21,364,494	\$23,797,037	\$23,350,726	\$25,056,810	1,706,084	7.3%
Net of Revenue & Expenses	\$2,703,136	\$0	\$735,813	\$0	(\$735,813)	(100.0%)

Departmental Budgets: Comparative Expenses by Department

**Antelope Valley Transit Authority
Comparative Expenses by Department
Fiscal Year 2017**

Description	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
Department Summary				
Executive Services	1,169,215	1,961,835	792,620	67.8%
Unallocated Benefit Expense	0	25,916	25,916	0.0%
Operations & Maintenance	19,304,239	20,504,289	1,200,050	6.2%
Finance	1,474,558	1,543,247	68,689	4.7%
Customer Service & Marketing	1,402,715	1,021,523	(381,192)	(27.2%)
Total Expenses	23,350,727	25,056,810	1,706,083	7.3%
Executive Services				
General & Administrative Expenses	691,135	1,195,730	504,595	73.0%
Salaries & Benefits	478,080	766,105	288,025	60.2%
Total - Executive Services	1,169,215	1,961,835	792,620	67.8%
Unallocated Benefit Expense				
Total - Salaries & Benefits	0	25,916	25,916	100.0%
Operations & Maintenance				
Purchased Transportation	14,382,170	15,788,947	1,406,777	9.8%
Fuel	2,709,401	2,583,444	(125,957)	(4.6%)
Operating Expense	941,764	832,555	(109,209)	(11.6%)
Salaries & Benefits	1,270,904	1,299,343	28,439	2.2%
Total - Operations & Maintenance	19,304,239	20,504,289	1,200,050	6.2%
Finance				
General & Administrative Expense	479,254	565,740	86,486	18.0%
Salaries & Benefits	995,304	977,507	(17,797)	(1.8%)
Total - Finance	1,474,558	1,543,247	68,689	4.7%
Customer Service & Marketing				
Operating Expense	361,433	196,000	(165,433)	(45.8%)
General & Administrative Expense	293,321	136,075	(157,246)	(53.6%)
Salaries & Benefits	747,961	689,448	(58,513)	(7.8%)
Total - Customer Service & Marketing	1,402,715	1,021,523	(381,192)	(27.2%)
Total Expenses				
Purchased Contracts	14,382,170	15,788,947	1,406,777	9.8%
Fuel	2,709,401	2,583,444	(125,957)	(4.6%)
Operating Expense	1,303,197	1,028,555	(274,642)	(21.1%)
General & Administrative Expense	1,463,710	1,897,545	433,835	29.6%
Salaries & Benefits	3,492,249	3,758,319	266,070	7.6%
Total Expenses	23,350,727	25,056,810	1,706,083	7.3%

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Departmental Budgets: Executive Services

The Executive Director provides leadership and direction to ensure the Antelope Valley Transit Authority implements its mission, goals and objectives in accordance with Board policy. A key area of focus is to provide direction and coordination for the various Authority initiatives to ensure quality standards for the organization, and to identify initiatives for ongoing improvement of customer service and community involvement. The Executive Director ensures sound ethics and fiscal management for the agency consistent with federal, state and local laws, emphasizing the most effective use of taxpayer funds through continuous review and improvement.

Antelope Valley Transit Authority

Expenses - Executive Services

Fiscal Year 2017

Description	FY 15 Actuals	FY 16 Adopted	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
Security Service/Sheriff's Deputy	\$1,394	\$6,000	\$0	\$0	\$0	0.0%
Other Operating Costs	1,394	6,000	0	0	0	0.0%
Publications	317	757	636	750	114	17.9%
Marketing	0	0	0	147,100	147,100	0.0%
Legal Services	60,668	115,000	65,000	144,600	79,600	122.5%
Memberships	43,713	45,000	50,000	46,000	(4,000)	(8.0%)
Consulting Fees	233,846	300,000	300,000	300,000	0	0.0%
Administrative Costs	0	0	0	3,000	3,000	0.0%
Advocacy Support Fees	0	194,000	194,000	306,120	112,120	57.8%
Printing Services	0	0	0	92,560	92,560	0.0%
Training and Meetings	70,576	70,000	80,000	90,000	10,000	12.5%
Temporary Staffing	0	5,000	1,500	5,000	3,500	233.3%
Miscellaneous Special Events	0	0	0	4,000	4,000	0.0%
Website Maintenance	0	0	0	16,600	16,600	0.0%
Professional Development	0	0	0	40,000	40,000	0.0%
General and Administrative Costs	409,119	729,757	691,135	1,195,730	504,595	73.0%
FT- Regular Salaries	248,419	453,902	283,086	539,748	256,662	90.7%
Double Time Pay Holiday/C	0	5,000	4,254	0	(4,254)	(100.0%)
FT- Paid Sick Leave	27,693	0	2,271	0	(2,271)	(100.0%)
FT- Paid Vacation Leave	51,286	0	4,499	0	(4,499)	(100.0%)
FT- Holiday Pay	13,249	0	7,670	0	(7,670)	(100.0%)
FT- Floating Holiday	2,485	0	859	0	(859)	(100.0%)
Deferred Compensation - ER Contributio	8,704	10,710	14,432	0	(14,432)	(100.0%)
Staff Development	7,200	20,000	11,804	0	(11,804)	(100.0%)
Fringe Benefits	137,627	168,110	140,781	226,357	85,576	60.8%
Salaries & Benefits	501,472	667,722	478,080	766,105	288,025	60.2%
Operating Expense	\$911,985	\$1,403,479	\$1,169,215	\$1,961,835	\$792,620	67.8%

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Departmental Budgets: Operations and Maintenance

The Operations and Maintenance Department provides oversight and guidance for all AVTA operations, including the Authority's bus, paratransit, maintenance, safety and facilities functions. The focus of operations in FY 2017 is to continue to identify opportunities to improve service delivery and the continued electrification of bus operations. Operations will continue to implement new policies as needed, followed when necessary by revised processes, procedures and systems to measure progress.

**Antelope Valley Transit Authority
Expenses - Operations & Maintenance**

Fiscal Year 2017

Page 1 of 2

Description	FY 15 Actuals	FY 16 Adopted	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
Contract Services - Incentives/DAR	\$0	\$12,000	\$6,002	\$12,000	\$5,998	99.9%
Contract Services - Other Pass Throughs	85,757	5,000	5,324	0	(5,324)	(100.0%)
Contract Services- Pass Throughs (Bill Co	2,622	0	0	0	0	0.0%
Contract Services DAR- Ambulatory	0	0	0	0	0	0.0%
Contract Services- Local & Commuter	12,601,425	12,948,881	13,000,000	13,694,903	694,903	5.3%
Contract Services- DAR	955,988	1,159,040	1,142,818	1,365,970	223,152	19.5%
Contract Services - JARC Comuuter Exp	0	0	0	175,000	175,000	0.0%
Contract Services- E- Bus	187,144	234,520	228,026	541,074	313,048	137.3%
Purchased Transportation	13,832,936	14,359,441	14,382,170	15,788,947	1,406,777	9.8%
Fuel & Lubricants	2,283,517	3,024,667	2,698,881	2,542,800	(156,081)	(5.8%)
Fuel - Use Tax	10,185	7,500	10,520	7,320	(3,200)	(30.4%)
Fuel - Other Taxes	0	0	0	0	0	0.0%
eBus Electricity	0	0	0	33,324	33,324	0.0%
Fuel	2,293,702	3,032,167	2,709,401	2,583,444	(125,957)	(4.6%)
Tow Services	0	0	15,000	5,000	(10,000)	(66.7%)
Facility Maintenance - Supplies	517	3,500	12,309	25,000	12,691	103.1%
Facility Maintenance - Outside Services	23,545	25,000	18,439	0	(18,439)	(100.0%)
I.T.-Maintenance - Computer Equipment	1,119	10,000	6,564	11,200	4,636	70.6%
Maintenance - Bus Stops (Non- Grantabl	23,730	25,000	12,941	5,000	(7,941)	(61.4%)
I.T.--Maintenance - Labor	0	0	0	7,120	7,120	0.0%
I.T.--Maintenance - Parts & Supplies	8,809	20,000	12,941	8,500	(4,441)	(34.3%)
Operating Permits	6,799	5,000	6,212	10,000	3,788	61.0%
I.T.--Software Agreements/Licenses	144,961	108,250	95,663	101,150	5,487	5.7%
Rental / Lease Expense	841	7,204	6,771	14,460	7,689	113.6%
Uniform Upkeep-AVTA (Non-Grantable)	3,197	7,000	3,501	7,000	3,499	99.9%
Utilities - Electricity	95,145	61,000	90,000	66,000	(24,000)	(26.7%)
Utilities - Gas	31,888	20,000	19,821	27,000	7,179	36.2%
Utilities - Waste	8,025	7,500	7,325	7,725	400	5.5%
Utilities - Water	7,190	12,000	9,190	7,500	(1,690)	(18.4%)
37-X171/JARC-DAR	0	0	0	175,000	175,000	0.0%
Mobility Mgmt	30,723	0	300,000	50,000	(250,000)	(83.3%)
TBD/ Preventative Maintenance Grant	67,758	200,000	200,000	200,000	0	0.0%
Electricity - E Buses	0	24,000	24,000	0	(24,000)	(100.0%)
256/FTA Preventative Maintenance	0	45,000	47,220	0	(47,220)	(100.0%)
Telephone & Fax	47,190	49,540	49,540	0	(49,540)	(100.0%)
Other Operating Costs	501,440	629,994	937,438	827,555	(109,883)	(11.7%)
Miscellaneous Special Events	5,228	7,500	4,326	5,000	674	15.6%

Departmental Budgets: Operations and Maintenance

Antelope Valley Transit Authority
Expenses - Operations & Maintenance

Fiscal Year 2017

Page 2 of 2

Description	FY 15 Actuals	FY 16 Adopted	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
General and Administrative Costs	5,228	7,500	4,326	5,000	674	15.6%
FT- Regular Salaries	727,139	886,632	799,897	875,105	75,208	9.4%
FT- Paid Sick Leave	26,432	0	9,199	0	(9,199)	(100.0%)
FT- Paid Vacation Leave	48,215	0	13,244	0	(13,244)	(100.0%)
FT- Holiday Pay	38,058	0	18,539	0	(18,539)	(100.0%)
FT- Floating Holiday	3,867	0	1,317	0	(1,317)	(100.0%)
Fringe Benefits	344,153	425,757	369,366	361,828	(7,538)	(2.0%)
PT- Regular Salaries	53,491	58,609	56,209	62,411	6,202	11.0%
PT- Paid Sick Leave	1,217	0	113	0	(113)	(100.0%)
PT- Paid Vacation Leave	1,170	0	1,781	0	(1,781)	(100.0%)
PT- Holiday Pay	2,294	0	1,239	0	(1,239)	(100.0%)
PT- Floating Holiday	75	0	0	0	0	0.0%
Salaries & Benefits	1,246,110	1,370,998	1,270,904	1,299,343	28,439	2.2%
Operating Expense	\$17,879,416	\$19,400,100	\$19,304,238	\$20,504,289	\$1,200,051	6.2%

Departmental Budgets: Finance Budget

The Finance Department is responsible for providing financial guidance and information to the Board of Directors, the Executive Director, management and staff; for managing the Authority's daily financial operations; preparing the annual Business Plan; producing annual, monthly and ad hoc financial reports; and maintaining the fiscal integrity of the Authority.

Antelope Valley Transit Authority
Expenses - Finance
Fiscal Year 2017

Description	FY 15 Actuals	FY 16 Adopted	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
Liability, Fire & Other Insurance	\$265,163	\$286,285	\$275,923	\$365,000	\$89,077	32.3%
Procurement Advertising	11,890	12,000	24,000	20,000	(4,000)	(16.7%)
Office Supplies	16,284	22,100	17,310	20,000	2,690	15.5%
Postage and delivery services	5,665	10,000	10,000	10,000	0	0.0%
Administrative Costs	0	0	225	0	(225)	(100.0%)
Printing Services	843	720	717	2,760	2,043	284.9%
Training and Meetings	4	0	103	400	297	288.3%
Audit Fees	60,000	65,790	73,290	68,700	(4,590)	(6.3%)
Bad Debt Expense/Miscellaneous Expen	1,197	2,000	1,000	1,000	0	0.0%
Bank Fees	10,824	25,000	36,000	36,000	0	0.0%
Credit&Debit Card Fees	0	600	300	0	(300)	(100.0%)
Employee Advertising & Recruitment	20,287	3,000	3,500	3,000	(500)	(14.3%)
Employment Screening/ Audits	23,346	37,270	30,000	36,380	6,380	21.3%
Miscellaneous Special Events	0	2,500	1,844	2,500	656	35.6%
Sales Expense for CPOS	4,450	5,000	5,041	0	(5,041)	(100.0%)
Inventory Adjust to Physical	(4,918)	0	0	0	0	0.0%
General and Administrative Costs	415,035	472,265	479,254	565,740	86,486	18.0%
FT- Regular Salaries	577,650	670,613	614,765	665,381	50,616	8.2%
FT- Paid Sick Leave	26,795	0	9,267	0	(9,267)	(100.0%)
FT- Paid Vacation Leave	32,642	0	16,920	0	(16,920)	(100.0%)
FT- Holiday Pay	34,262	0	17,592	0	(17,592)	(100.0%)
FT- Floating Holiday	3,620	0	2,950	0	(2,950)	(100.0%)
Fringe Benefits	284,528	261,320	260,179	275,114	14,935	5.7%
PT- Regular Salaries	62,654	71,284	67,318	37,012	(30,306)	(45.0%)
PT- Paid Sick Leave	2,400	0	1,272	0	(1,272)	(100.0%)
PT- Paid Vacation Leave	2,993	0	3,307	0	(3,307)	(100.0%)
PT- Holiday Pay	3,011	0	1,596	0	(1,596)	(100.0%)
PT- Floating Holiday	279	0	138	0	(138)	(100.0%)
Salaries & Benefits	1,030,834	1,003,217	995,304	977,507	(17,797)	(1.8%)
Operating Expense	\$1,445,869	\$1,475,482	\$1,474,558	\$1,543,247	\$68,689	4.7%

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Departmental Budgets: Marketing and Customer Service Budget

Marketing and Customer Service strives to provide excellent customer service with the goal of exceeding expectations. The department staff assists residents by providing accurate and helpful information regarding current and changing route information. The staff seeks to promote AVTA's public image along with its products and services through community outreach and marketing. The staff actively works to maintain vendor partnerships for the added convenience of AVTA's customers, and is dedicated to efforts that demonstrate that AVTA is a strong partner supporting the local community in all endeavors.

Antelope Valley Transit Authority
Marketing & Customer Service
Fiscal Year 2017

Description	FY 15 Actuals	FY 16 Adopted	FY16 Mid-Year	FY 17 Proposed	\$ Change 2016 MY vs. 2017 Prop	% Change 2016 MY vs. 2017 Prop
Uniform Upkeep-AVTA (Non-Grantable)	\$3,032	\$3,500	\$2,150	\$3,500	1,350	62.8%
37-X171/JARC-DAR	33,419	181,000	174,085	0	(174,085)	(100.0%)
Mobility Mgmt	40,907	42,000	36,932	0	(36,932)	(100.0%)
Security Service/Sheriff's Deputy	157,880	182,500	148,266	192,500	44,234	29.8%
Other Operating Costs	235,238	409,000	361,433	196,000	(165,433)	(45.8%)
Marketing	118,498	139,400	120,461	0	(120,461)	(100.0%)
Printing Services	56,491	76,303	67,562	0	(67,562)	(100.0%)
Credit&Debit Card Fees	0	0	0	1,800	1,800	0.0%
Miscellaneous Special Events	28,384	39,700	47,396	42,975	(4,421)	(9.3%)
Tap card fee	3,616	3,000	3,505	5,000	1,495	42.7%
Website Maintenance	10,736	14,300	7,153	0	(7,153)	(100.0%)
Charitable Donations	15,751	34,000	35,577	25,000	(10,577)	(29.7%)
Sponsorships	11,350	15,250	11,667	21,300	9,633	82.6%
Stuff-A-Bus	0	0	0	40,000	40,000	0.0%
General and Administrative Costs	244,827	321,953	293,321	136,075	(157,246)	(53.6%)
FT- Regular Salaries	367,315	501,379	455,726	469,644	13,918	3.1%
FT- Paid Sick Leave	11,782	0	9,100	0	(9,100)	(100.0%)
FT- Paid Vacation Leave	16,440	0	12,726	0	(12,726)	(100.0%)
FT- Holiday Pay	19,726	0	12,767	0	(12,767)	(100.0%)
FT- Floating Holiday	1,591	0	1,184	0	(1,184)	(100.0%)
Fringe Benefits	178,674	236,588	211,795	194,183	(17,612)	(8.3%)
PT- Regular Salaries	48,208	49,056	42,986	25,622	(17,364)	(40.4%)
PT- Paid Sick Leave	1,121	0	210	0	(210)	(100.0%)
PT- Paid Vacation Leave	1,244	0	969	0	(969)	(100.0%)
PT- Holiday Pay	1,092	0	311	0	(311)	(100.0%)
PT- Floating Holiday	95	0	187	0	(187)	(100.0%)
Salaries & Benefits	647,287	787,023	747,961	689,449	(58,512)	(7.8%)
Operating Expense	\$1,127,351	\$1,517,976	\$1,041,282	\$825,524	(215,758)	(20.7%)

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APPENDIX B: FY17 DETAILED CAPITAL SOURCES AND SCHEDULE

GL No.	PROJECT	FY 17 GRANTABLE Budget Items	FY 17 CAPITAL Budget Items	Prior Grant Approval	Current Grant Cycle	Toll Credits	Local Funds	Prop 1B PTMISEA	Prop 1B Transit Security	Measure R Clean Fuels	AVAQMD AB2766	Discretionary Grant Awards	Jurisdiction Capital Reserve	Prop A 40% Disc	Cash Reserves	Unfunded
Vehicle Purchase and Maintenance																
Electric Bus Infrastructure Improvements																
1a	Facility charging stations (85) + B/U Generator	\$ 3,500,000	\$ 3,500,000													
various	TIRCP + LCTOP + CFP + Internal Reserves						3,500,000					2,030,000				1,470,000
1b	250kVA Development	\$ 1,400,000	\$ 1,400,000				1,400,000									1,400,000
1c	Secondary Chargers	\$ 1,440,000	\$ 1,440,000				1,440,000						835,200			604,800
various	TIRCP + LCTOP + CFP + Internal Reserves															
Replacements and Expansion																
2	60' BE Articulated Local Transit Replacement	\$ 13,633,126	\$ 13,633,126	2,044,969			11,588,157					9,543,188	2,044,969			
	45' BE Commuter Coach Replacement	\$ 12,419,232	\$ 12,419,232	1,862,885			10,556,347					8,693,462	1,862,885			
	TIRCP + LCTOP + CFP + Internal Reserves															
3	CalSTA Administration Fee (payments for FY16 & 17)	\$ 231,000	\$ 231,000													
various	TIRCP						231,000					231,000				
4	Major Bus Components	\$ 82,154	\$ 82,154													
TBD	Grant CA-90-Z256				65,723	16,431										
5	Support Vehicles	\$ 195,000	\$ 195,000													
TBD	Grant CA-90-Z256				156,000	39,000										
	Replacement and Expansion Total	\$ 26,560,512	\$ 32,900,512	\$ 3,907,854	\$ 221,723	\$ 55,431	\$ 28,715,504	\$ -	\$ -	\$ -	\$ -	\$ 21,332,851	\$ 3,907,854	\$ -	\$ 3,474,800	\$ -
	Total Vehicles and Maintenance	\$ 32,900,512	\$ 32,900,512	\$ 3,907,854	\$ 221,723	\$ 55,431	\$ 28,715,504	\$ -	\$ -	\$ -	\$ -	\$ 21,332,851	\$ 3,907,854	\$ -	\$ 3,474,800	\$ -

APPENDIX B: FY17 DETAILED CAPITAL SOURCES AND SPENDING SCHEDULE

GL No.	PROJECT	FY 17 GRANTABLE Budget Items	FY 17 CAPITAL Budget Items	Prior Grant Approval	Current Grant Cycle	Toll Credits	Local Funds	Prop 1B PTMISEA	Prop 1B Transit Security	Measure R Clean Fuels	AVAQMD AB2766	Discretionary Grant Awards	Jurisdiction Capital Reserve	Prop A 40% Disc	Cash Reserves	Unfunded
Facilities Equipment & Upgrades																
Regional Partnership Projects																
6	Antelope Valley Mall	\$ 220,000	\$ 220,000													
9909059	Grant CA-90-Y968			176,000		44,000										
7	Antelope Valley College	\$ 220,000	\$ 220,000													
9909059	Grant CA-90-Y968			176,000		44,000										
8	35th St. E & Palmdale w/CalTRANS	\$ 440,000	\$ 440,000				440,000								440,000	
9	35th St. E & Palmdale AVTA only	\$ 50,000	\$ 50,000													
9909059	Grant CA-90-Y968			40,000		10,000										
10	47th St E & Ave S	\$ 160,000	\$ 160,000													
9909059	Grant CA-90-Y968			128,000		32,000										
11	35th St E & Ave R	\$ 35,000	\$ 35,000													
9909059	Grant CA-90-Y968			28,000		7,000										
12	Digital Signage	\$ 100,000	\$ 100,000													
TBD	Grant CA-90-Z256			20,000	60,000	20,000										
Regional Partnership Projects Total		\$ 1,225,000	\$ 1,225,000	\$ 568,000	\$ 60,000	\$ 157,000	\$ 440,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 440,000	\$ -
Facilities Equipment																
13	Server Room Upgrade + A/C + Backup A/C	\$ 165,000	\$ 165,000													
	Prop 1B PTMISEA + Bridge Funds						165,000	165,000								
14	Equipment & Other	\$ 100,000	\$ 100,000													
TBD	Grant CA-90-Z256				80,000	20,000										
Facilities Equipment Total		\$ 265,000	\$ 265,000	\$ -	\$ 80,000	\$ 20,000	\$ 165,000	\$ 165,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Money Room Equipment Upgrade																
15	Coin Conveyor System	\$ 18,300	\$ 18,300													
9909068	Prop 1B Transit Security + Bridge Funds						18,300		18,300							
16	Vault Relocation	\$ 45,500	\$ 45,500													
9909068	Prop 1B Transit Security + Bridge Funds						45,500		45,500							
17	Security Equipment (doors, cameras, panic button)	\$ 116,000	\$ 116,000													
9909068	Prop 1B Transit Security + Bridge Funds						116,000		116,000							
18	HVAC Upgrade	\$ 30,000	\$ 30,000													
9909068	Prop 1B Transit Security + Bridge Funds						30,000		30,000							
Money Room Equipment Total		\$ 209,800	\$ 209,800	\$ -	\$ -	\$ -	\$ 209,800	\$ -	\$ 209,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities, Money Room and Regional Partnerships		\$ 1,699,800	\$ 1,699,800	\$ 568,000	\$ 140,000	\$ 177,000	\$ 814,800	\$ 165,000	\$ 209,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 440,000	\$ -

APPENDIX B: FY17 DETAILED CAPITAL SOURCES AND SPENDING SCHEDULE

GL No.	PROJECT	FY 17 GRANTABLE Budget Items	FY 17 CAPITAL Budget Items	Prior Grant Approval	Current Grant Cycle	Toll Credits	Local Funds	Prop 1B PTMISEA	Prop 1B Transit Security	Measure R Clean Fuels	AVAQMD AB2766	Discretionary Grant Awards	Jurisdiction Capital Reserve	Prop A 40% Disc	Cash Reserves	Unfunded
Other Projects																
Data & Communication																
19	Server Hardware Refresh (2) 9909072 Grant CA-90-Z129	\$ 30,000	\$ 30,000	24,000		6,000										
20	Technology Repair & Additions Grant CA-90-Z129	\$ 25,000	\$ 25,000	20,000		5,000										
21	Communication System Upgrade TBD Grant CA-90-Z256	\$ 50,000	\$ 50,000		40,000	10,000										
22	Software Modifications (Asset Mgmt + Maint Mgmt) 9909073 Grant CA-90-Z129	\$ 50,000	\$ 50,000	40,000		10,000										
Data and Communications Total		\$ 155,000	\$ 155,000	\$ 84,000	\$ 40,000	\$ 31,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Security - Bus and Facility																
23	Hazard Mitigation Prop 1B TS Prop 1B Transit Security	\$ 55,811	\$ -				55,811		55,811							
24	Safety Management System Prop 1B TS Prop 1B Transit Security	\$ 95,786	\$ -				95,786		95,786							
Safety - Bus & Facility Total		\$ 151,597	\$ -	\$ -	\$ -	\$ -	\$ 151,597	\$ -	\$ 151,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL Other Projects		\$ 306,597	\$ 155,000	\$ 84,000	\$ 40,000	\$ 31,000	\$ 151,597	\$ -	\$ 151,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY17 Capital Project Total		\$ 34,906,909	\$ 34,755,312	\$ 4,559,854	\$ 401,723	\$ 263,431	\$ 29,681,901	\$ 165,000	\$ 361,397	\$ -	\$ -	\$ 21,332,851	\$ 3,907,854	\$ -	\$ 3,914,800	\$ -

Back of Detailed Capital Sources and Spending Schedule

APPENDIX C: SOURCES OF FUNDING

External funding for AVTA operations and maintenance (other than jurisdictional member contributions and auxiliary revenue) comes from federal, state and local sources, including FTA Section 5307 Urbanized Formula Funds, the State of California’s Proposition 1B and Cap and Trade Programs, and the tax-related operating subsidies provided through the Los Angeles County Metropolitan Transportation Authority (LA METRO).

Federal Funding Program Background: Map-21 and the GROW AMERICA Act

The Moving Ahead for Progress in the 21st Century (“MAP-21”) is a federal program that authorizes funding for federal transit and highway programs for the two years that concludes at the end of Federal Fiscal Year 2014 on September 30th. With considerable influence from APTA, the bill was signed into law by President Obama on July 6, 2012, completing a legislative process that spanned almost three years and 10 extensions of the old funding program, Safe, Accountable, Flexible, Efficient Transportation Act – A Legacy for Users (“SAFETEA-LU”).

Simplification and consolidation of programs are common themes throughout MAP-21, while discretionary programs are greatly reduced; most funds are delivered to public transportation agencies through core formula programs. Under the new law, much of the federal transit program structure remains in place, retaining formula programs that distribute mostly capital assistance based on need. The law eliminates the bus and bus facilities program where funds were distributed through earmarks or competitive grants and replaced it with a program that distributes bus and bus facility funds by a formula. The law also allows small transit systems in large urban areas to use a portion of their formula funds for operating costs, such as preventive maintenance and regular overhead expenses.

The original two-year MAP-21 program ended on September 31, 2014. Funding was extended through May 31, 2015; Congress approved several short-term extensions to continue funding through to December 31, 2015, while recognizing that a more stable, longer term funding solution was needed.

The FAST Act

The long term solution was finally realized on December 4, 2015, when President Obama signed the 5-year Fixing America’s Surface Transportation (FAST) Act, reauthorizing surface transportation programs through Fiscal Year 2020.

Funding starts at \$11.9 billion for FFY16 and increases annually to \$12.6 billion in 2020, a total of \$61.1 Billion over 5 years. Of particular interest to AVTA are:

- FTA 5307 Urbanized Area Formula Grants, a five year total of \$23.7 billion
- 5337 State of Good Repair, a five year total of \$13.0 billion
- 5339 Bus and Bus Facilities, a five year total of \$3.7 billion.

Procurement - Definitions are expanded to foster and encourage cooperative purchasing among partners. Resources may be ‘outside’ of traditional transit agency definitions, including both conventional and non-profit entities.

Buy America – Under FAST, the domestic percentage content is increases from 60% to 70% by 2020.

State of Good Repair – Helping transit agencies maintain bus and rail systems is a top priority of the FTA; spending under 5337 was increased from \$2.1 billion to \$2.5 billion annually.

Staff will continue to keep the Board of Directors apprised by the federal and state legislative updates presented at the monthly board meetings.

Federal Funding Programs

Section 5307 Formula Funds - The FTA Urbanized Area Formula Grants Program (Section 5307) allocates federal grants based on an urbanized area formula to fund transit capital (including preventative maintenance) and operating purposes. Depending on the size of the urbanized area, eligible uses for Section 5307 funds may include the engineering design, evaluation and planning of transit projects and other technical studies related to transportation; capital investments for bus and bus-related activities; the construction and maintenance of transit facilities; and capital investments in fixed guideway systems.

For large urbanized areas with populations greater than 200,000, funding is allocated by the FTA regional office and can typically only be used for transit capital projects. The federal share of any transit capital project typically may not exceed 80 percent of the net cost of the project, with the exception of funds applied to vehicle related equipment purchased to be in compliance with the Americans with Disabilities Act (ADA) and the Clean Air Act (CAA), which may not exceed 90 percent of the net project cost. In recent years, FTA has set the sharing ratio for bus purchases at 85%.

AVTA falls into the Large Urbanized Area (UZA) category. The majority of AVTA's 5307 funds are restricted to capital and preventive maintenance expenditures; however, AVTA was "grandfathered in" when SAFETEA-LU was adopted and allowed to use up to 50% of its federal 5307 funds for operating purposes. AVTA has included this amount in recent budgets to help close the operating loss gap common to transit. MAP-21, the new reauthorization bill, allows large UZAs with fewer than 100 buses to use up to 75% of their annual allocation for operating expenses, as long as the expense is matched 50% with local or state funds; this has been continued under the FAST Act.

A provision has been added under FAST that directs recipients to maintain equipment and facilities in accordance with their transit asset management plan. A portion of the FY17 Capital Spending Plan has set aside funds for both Maintenance Tracking and Transit Asset Management Plans to comply with the FAST requirements.

Urbanized versus Rural Programs - AVTA currently provides four distinct services to Antelope Valley residents: (1) fixed-route service within the Palmdale/Lancaster urban core; (2) inter-community fixed route service linking the urban core with the rural communities of Lake Los Angeles, Sun Village, and Littlerock; (3) demand-responsive (dial-a-ride) service both inside and outside of the urban service boundary; and (4) commuter service from the urban core to Los Angeles, San Fernando and West Los Angeles via SR-14. AVTA's urban and rural transit services are consolidated under one program. Based on the current structure, the agency receives allocation dollars from the FTA Section 5307 (Urbanized Area Formula) program, intended for use in urbanized zones.

FTA Section 5337 State of Good Repair - Section 5337, a formula-based program, is FTA's first stand-alone initiative written into law that is dedicated to repairing and upgrading the nation's rail transit systems and high-intensity motor bus systems that use high-occupancy vehicle lanes, including bus rapid transit (BRT). These funds reflect a commitment to ensuring that public transit operates safely, efficiently, reliably, and sustainably so that communities can offer balanced transportation choices that help to improve mobility, reduce congestion, and encourage economic development.

Section 5339 Bus & Bus Facilities – Section 5339 provides capital funding to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities.

Under the FAST Act, two discretionary components have been added to the 5339 program:

- A bus and bus facilities competitive program based on asset age and condition, and a low or no emissions bus deployment program. A solicitation of proposals for competitive funding including requirements and procedures will be published in an annual Notice of Funding Availability (NOFA) as soon as possible.
- A new pilot provision allows designated recipients in urbanized areas between 200,000 and 999,999 in population to participate in voluntary state pools to allow transfers of formula funds between designated recipients from FY 2016 through FY 2020.

During FY17, funds for both Section 5337 and 5339 were “swapped” (traded) dollar for dollar for more flexible Section 5307 Formula Funds, based on the approval of and availability by LA Metro.

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FTA Section 5310 – Transportation for Elderly Persons and Persons with Disabilities

This program provides formula funding to states for the purpose of assisting private nonprofit groups in meeting the transportation needs of the elderly and persons with disabilities when the transportation is unavailable, insufficient, or inappropriate for meeting these needs. Funds are apportioned based on each state’s share of population for these groups so identified.

AVTA may receive funds in the future to serve the elderly and those with disabilities in the unincorporated areas of the Antelope Valley service area.

New under the FAST Act:

A State or local governmental entity that operates a public transportation service and that is eligible to receive direct grants under 5311 or 5307 is now an eligible direct recipient for Section 5310 funds.

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Job Access and Reverse Commute Program (JARC) - The FTA Federal program Job Access and Reverse Commute (JARC) Program provides funds for projects and services intended to transport welfare recipients and eligible low-income persons to work and projects that move persons to suburban job centers. The JARC Program is fully funded by the Mass Transit Account of the Highway Trust Fund. Revenue sources come from excise taxes on highway motor fuel and truck-related taxes on tires, sale of trucks and trailers, and heavy vehicle use. Distributions are allocated based on a formula program and dependent on the number of low income persons (60/20/20 distributed to designated recipients in areas with populations over 200,000, to states for areas under 200,000 and to states with non-urbanized areas, respectively). Funding is subject to annual Congressional appropriation. Eligible sub-recipients include state and local governments, nonprofit organizations and public transportation operators. Federal share is generally 80% for capital costs and 50% for operating costs.

AVTA is participating in two JARC programs during FY17, the Commuter Expansion Operating program and the Voucher/EBT Program. Both of these programs will wind up in FY18.

Federal Stimulus - American Reinvestment and Recovery Act (ARRA): ARRA was approved by Congress to stimulate the economy by funding a wide variety of capital improvements. These funds were directed to various government agencies, including transit providers. LA Metro allocates these funds in Los Angeles County

via the Capital Allocation Procedure (CAP) already in place. In past years, AVTA received \$10.2 million in ARRA funding, dedicated to vehicle replacement and acquisition, modifications to the AVTA transfer center at Lancaster City Park, and construction of photovoltaic-equipped parking structures. There has been no further ARRA activity since the projects just described.

State Funding Programs

Proposition 1B State Infrastructure Bonds - Approved by voters in November 2006, the Proposition 1B Infrastructure Bond Program authorized the state to sell \$19.9 billion of general obligation bonds to fund transportation projects and to fund ridership growth on smaller transit systems. The two relevant accounts that apply to AVTA include the *Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA)* and the *Transit System Safety, Security and Disaster Response Account*. Scheduled to be a 10-year program, these funds end in 2017. Through Metro, AVTA was provided with Bridge Funding for FY17.

State Transit Assistance (STA) - In 1978, the Transportation Development Act was amended to create a second major statewide funding source, the State Transit Assistance (STA) Program, derived from the statewide sales tax on gasoline and diesel fuel from the Transportation Planning and Development Account in the State Transportation Fund. STA provides funding for public transportation, transportation planning, and community transit that is restricted to transit purposes (operating and capital).

Before LA Metro receives the funds, STA funds are allocated by formula by the State Controller and are divided into two subcategories: Population-Based and Revenue-Based programs. Under the Population-based share, 50 percent of the funds are allocated by formula based on the region's population in comparison to the state's population. For the Revenue-Based share, funds are returned by formula according to the prior year proportion of regional transit operator revenues in contrast to the statewide transit operator revenues. AVTA is an eligible recipient of STA programs but is typically allocated a formula-share equivalent of these funds through the LA Metro's Formula Allocation Procedure (FAP).

In March 2010, a package of three bills was signed into law that replaced the sales tax on gas with an ongoing excise tax increase on gas of 17.3 cents per gallon. On July 1, 2011, the rate of the excise tax on diesel fuel was reduced from 18 cents per gallon to 13.6 cents per gallon, and an additional 1.75% sales tax on the sale of diesel fuel was imposed. Beginning in 2012-13 and each fiscal year thereafter, the Board of Equalization is required to annually adjust the excise diesel fuel tax rate reduction to result in a revenue loss equal to the amount of revenue gain attributable to the increased sales tax on diesel fuel.

The legislation also requires the new gas tax revenues to be used first to reimburse the General Fund for the amount of debt service required on specified general obligation transportation bonds (including Proposition 192 and three-quarters of the debt service on Proposition 1B). Remaining new gas tax revenues are then required to be spent on highways and streets and roads. The legislative package also dedicated 75% of the sales tax on diesel fuel to the State Transit Assistance program and 25% to the Intercity Passenger Rail Program.

Diesel fuel purchased for public transit buses is exempt from the sales tax collected from non-government sources.

California Air Resources Board Cap & Trade Program

California's Cap and Trade Regulation was adopted by the California Air Resources Board (CARB) on October 20, 2011. CARB amended the regulations as of September 1, 2012. The cap and trade program is part of the state of California's compliance with Assembly Bill 32, the Global Warming Solutions Act of 2006.

Citing the authority of the state's Health and Safety Code, this Article establishes the California Greenhouse Gas Cap-and-Trade Program. The goal is to reduce greenhouse gas (GHG) emissions by establishing an aggregate GHG allowance budget for covered entities and providing a trading mechanism for compliance instruments.

As the auctions proceed, the California State Budget provides proceeds to support existing programs that will reduce greenhouse gas emissions. The expenditure plan will reduce emissions by modernizing the state's rail system including high-speed rail and public transit, encouraging local communities to develop in a sustainable manner with an emphasis on public transportation and affordable housing, increasing energy, water, and agricultural efficiency, restoring forests in both urban and rural settings, and creating incentives for additional recycling. The budget permanently allocates 60 percent of future auction proceeds to public transit, affordable housing, sustainable communities, and high speed rail.

AVTA applies for all relevant Cap & Trade programs as details and deadlines become known.

Local Sales Tax Revenues

AVTA currently receives its regional/local funds from MTA in the form of funding from Propositions A and C, and from member jurisdiction contributions (Los Angeles County, City of Palmdale, and City of Lancaster).

Proposition A 40% Discretionary - These funds are derived from a local sales tax approved by Los Angeles County voters in 1980, and are available for operating or capital projects throughout Los Angeles County. Twenty-five percent of the tax is returned to local entities based on population for use in local transit projects. Thirty-five percent is for rail development and operations, and forty percent is for bus operations projects at the discretion of the LACMTA Board. Historically these funds have been allocated to all operators via the MTA's Formula Allocation Procedure, which allocates bus operations funds among 18 transit agencies based on revenue, base fare and service miles. *As an "eligible" operator (as opposed to an "included" operator), AVTA receives a formula-equivalent amount of Proposition A funding in lieu of Local Transportation Funds (TDA Article 4).*

Proposition C 40% Discretionary - Local sales tax (since 1990) available for operating or capital projects throughout Los Angeles County. Forty percent of the revenues collected are eligible for use on rail or bus projects at the discretion of the LACMTA Board. Typically, these funds are allocated via the Formula Allocation Procedure (FAP) and variations thereof to all eligible and municipal operators. Programs developed under the Prop C 40% portion dedicated to bus transit include the Bus System Improvement Plan (BSIP), which was originally created to relieve bus overcrowding; the Base Restructuring program, developed to offset changes in the cost of transit operators' "base" service established many years ago; and the Transit Service Expansion (TSE) program. These funds are intended for operating purposes only.

Measure R 20% Bus Operations - These funds are derived from a local sales tax ordinance approved by Los Angeles County voters in 2008. The funds are allocated via the Formula Allocation Procedure (FAP) by LA Metro to fixed-route transit operators. Designed primarily as a funding source for rail operations, 20 percent of the Measure R funds are dedicated to bus operations and may be used for either operating or capital.

Los Angeles County Metropolitan Transit Authority (Metro) Formula Allocation Procedure (FAP) - AVTA's operating funds received through Metro are subject to a process called the Formula Allocation Procedure ("FAP"). Its share of federal capital funds as allocated to the Los Angeles Long Beach UZA are subject to allocation through a Capital Allocation Procedure ("CAP").

The funds from Propositions A and C, the Measure R funds, and the State Transit Assistance Funds are all allocated via the FAP. All of these funds can be used to subsidize operating expenses, and some may be used for capital purposes if not needed for operations. The FAP is based on fare revenue and vehicle service mile data from the most recent audited Transit Performance Measurement (TPM) reports available for each of the 18 included and eligible transit operators. Metro, in its role as the regional planning agency, collects performance data from its own operation and from 17 other operators in Los Angeles County, including AVTA. Metro then distributes the available funds to itself and other operators based on the FAP:

Formula = 50% "fare units" (fare revenues divided by base fare), and 50% vehicle service miles

Thus, a major change in fare revenues or service miles by one operator (especially by Metro) can have a significant impact on the funding allocation of another operator. In FY 2006/07, Metro modified the FAP to stabilize its effects and protect some operators from being adversely impacted by fare and service changes made by other operators. The main issue was that some operators, particularly those selling monthly passes, were reducing their base fare and increasing their pass prices, which resulted in an increased "fare unit" value. The fare unit concept was originally designed to encourage operators to keep their base fares low. Once operators caught on to the mathematical implications of "gaming" the formula by increasing their fare revenues and their share of the FAP concurrently, it became a problem that needed to be addressed. Thus, the Metro Board modified the allocation process to "freeze" fare units in a way that allows transit operators to raise their base fare and operate more like a business, without risking a penalty in the form of a reduced FAP share of subsidies.

Local sales tax revenues include three Los Angeles County voter-approved sales tax measures. Each of these three half-cent sales tax measures have a portion dedicated to bus transit operations (Proposition A, Proposition C, and Measure R). Proposition A includes a 40% discretionary component that is allocated to the region's transit operators. As an eligible municipal transit operator in Los Angeles County, AVTA receives a formula allocation share of the 40% portion of Proposition A dedicated to bus transit. To a lesser degree, AVTA receives allocations of the Proposition C and Measure R sales taxes. See the paragraph below on Measure R2, which, if approved by Los Angeles County voters, would extend Measure R sales tax inflows.

Over the years, a variety of individual programs have been established by LA Metro and funded with different earmarked amounts of Proposition A or C. One example is the Municipal Operators Service Improvement Program (MOSIP), which was created to provide additional funding to the smaller county operators at a time when Metro needed to increase its own subsidies to meet the needs of their Consent Decree, ruled necessary by the 9th Circuit Court of Appeals in response to a lawsuit filed by the Bus Riders' Union. Each program may have slightly different methods of allocation, but all have a designated funding source. It is important to note that the specifics of each program are no longer as restrictive as they once were; rather, many have been carried over year after year simply because any modification to the existing funding programs requires months or even years of negotiation among the transit operators in Los Angeles County receiving funding from LA Metro.

Primary revenue sources are categorized as Fare Revenues; MTA subsidies (primarily local sales taxes derived from Propositions A and C and Measure R as discussed above); FTA operating subsidies for operating support (which has a 50% match requirement and preventive maintenance (which has a 20% match requirements); Jurisdictional Contributions and Auxiliary Revenues.

Measure R2

During the spring of 2016, Metro started using wide media releases to introduce “The Plan” (for improving transportation-related issues) for consideration in the Los Angeles County elections. The potential ballot measure would ask voters to increase the county-wide sales tax by an additional half-cent for 40 years and to continue the original tax, Measure R, meaning that both would potentially run through 2057. Metro believes that R2 could potentially generate over \$120 billion, indexed in year-of-expenditure dollars. This compares with the \$35 - \$40 billion expected over the life of the original Measure R.

Per Draft #3 of Metro’s Formula Allocation Plan (FAP), AVTA will receive \$2.4 million in FY17 in Measure R Funds; based on Metro’s preliminary projections, AVTA will receive between \$2.5 and \$3.0 million in additional funds annually from Measure R2. These inflows would help close the operating loss gap, and would decrease use of flexible 5307 Urbanized Formula Funds for operating support.

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APPENDIX D: SHORT RANGE TRANSIT PLAN

SYSTEM STATISTICS

Local and Commuter Fixed Route Service

The Antelope Valley Transit Authority (AVTA) is proposing to continue monitoring performance targets against five key agency goals. Nine performance indicators will be evaluated on a monthly basis to determine if the established performance targets are being met. The targets for FY17 are based on projected estimates of performance through FY152016 and anticipated changes during the year for all fixed-route transit service only.

In FY16, fixed route local and commuter service combined will provide 176,464 vehicle revenue hours with total operating expenses estimated at \$19.4million. Fare revenues and passenger boardings are conservatively estimated at \$5.2 million and 3.2 million, respectively.

Exhibit D1 – Systemwide Statistics (Excluding Dial-A-Ride Service)

Fixed-Route System Performance	FY15 Actual	FY16 Target	FY16 Estimated	FY17 Target	% Change (FY16 est. vs. FY17 Target)
Fleet Size	75	75	75	75	0%
Vehicle Service Miles	2,999,807	2,998,156	3,039,894	3,131,586	3%
Passenger Boardings	3,534,448	3,440,509	3,222,700	3,195,225	-1%
Fare Revenues	\$4,766,186	\$4,845,072	\$5,267,913	\$5,320,592	1%
Vehicle Revenue Hours	174,310	174,189	176,044	177,995	1%
Operating Expense	\$19,962,814	\$20,290,124	\$19,790,516	\$20,375,451	3%

Passenger Boardings and Fare Revenues

FY16 passenger boardings are projected to reflect a decrease of 10% (311,748) while fare revenues are expected to increase by \$501,727 when compared to FY15. Lower-than-average fuel prices and the improved economy have played a role in the decline of passenger boardings recorded in FY16. Like AVTA, other Los Angeles County municipal operators have also experienced reductions in boardings, such as LA Metro, Foothill Transit, and Culver City. Unlike passenger boardings, fares are projected to increase, primarily due to the latest fare schedule restructuring implemented September 1, 2015. However, that has also contributed to declines in boardings, which is typical anytime passenger fares are increased and/or adjusted.

Vehicle Revenue Hours, Miles and Operating Expenses

Total vehicle service hours and miles are projected to increase by 1.0%, respectively in FY16 when compared to FY15 actuals. Increases in service hours and miles are correlated to expanded service on our commuter routes during the 2016 fiscal year. It should be noted that the commuter service expansion is funded through a Job Access Reverse Commute (JARC) Commuter Expansion grant through METRO. FY16 Operating expense is projected to decrease approximately 3% (\$550,021) compared to FY15. Continued declines in fuel cost was the major contributor to these savings.

No changes are assumed in the FY17 Business Plan for the level of Dial-a-Ride (DAR) activity. DAR services are reimbursed on a per trip basis rather than by the number of vehicle service hours. It is estimated that DAR will make approximately 33,000 passenger trips in FY17. AVTA caps the number of DAR trips per contract.

Goals and Performance Standards

The Antelope Valley Transit Authority continues to focus on five key goals and associated performance indicators. The goal targets are established annually based on projections of total vehicle service hours, ridership, revenues, and expenses. Estimated boardings per vehicle service hour, farebox recovery ratio, and cost per vehicle service hour are derived directly from system statistics. Other indicators are calculated based on historical data and current events. Each performance indicator is discussed on the following pages.

Targets for cost per vehicle service hour and farebox recovery ratio are calculated based on budget projections. The direct cost of Dial-a-Ride service is not included in this discussion due to the inherent differences in service characteristics and because our service contract provider is reimbursed on a per trip basis as opposed to vehicle service hour.

Exhibit D2 – FY17 Performance Standards - summarizes the performance goals for FY17.

Goal	Indicator	FY 2015 Actual	FY 2016 Target	FY 2016 Estimated	FY 2017 Target
Operate a Safe Transit System	Preventable Accidents per 100,000 miles	0.39	0.40	0.40	0.40
Provide Outstanding Customer Service	Complaints Per 100,000 Boardings	5.7	6.5	7.0	6.5
	Schedule Adherence	96%	96%	97%	96%
	Average Hold Time	:59	1:00	:46	1:00
	Miles Between Service Interruptions	16,325	15,500	15,601	15,500
Operate an Effective Transit System	Boardings Per Service Hour	20.3	19.5	17.5	17.0
	Average Weekday Boardings	12,145	12,250	11,395	11,000
Operate an Efficient Transit System	Average Cost per Vehicle Service Hour	\$114.52	\$114.61	\$112.42	\$114.47
	Farebox Recovery Ratio	23.88%	24.03%	26.62%	26.11%

Preventable Accidents per 100,000 Miles (Lower is Better)

The number of preventable accidents incurred for every 100,000 miles of fixed route operations represents a measure of system safety. AVTA is projected to be on target at .40 preventable accidents per 100,000 miles in FY17. The target of .40 is well below industry standards for preventable accidents. In recent months, preventable accident performance has shown measurable improvement as Transdev continues to emphasis on safety.

Goal	Indicator	FY 2015 Actual	FY 2016 Target	FY 2016 Estimated	FY 2017 Target
Operate a Safe Transit System	Preventable Accidents per 100,000 miles	0.39	0.40	0.40	0.40
Provide Outstanding Customer Service	Complaints Per 100,000 Boardings	5.7	6.5	7.0	6.5
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	Average Hold Time	:59	1:00	:46	1:00
	Miles Between Service Interruptions	16,325	15,500	15,601	15,500
Operate an Effective Transit System	Boardings Per Service Hour	20.3	19.5	17.5	17.0
	Average Weekday Boardings	12,145	12,250	11,395	11,000
Operate an Efficient Transit System	Average Cost per Vehicle Service Hour	\$114.52	\$114.61	\$112.42	\$114.47
	Farebox Recovery Ratio	23.88%	24.03%	26.62%	26.11%

Complaints per 100,000 Boardings (Lower is Better)

Through a continued focus on customer service, complaints for FY16 have steadily declined after peaking in September 2015 caused by the fare restructuring which took place at the beginning of that month. FY16 is projected to finish with 7.0 complaints per 100,000 boardings. The new performance target in FY17 of 6.5 Complaints per 100,000 boardings will continue to place focus on overall customer experience and service.

Schedule Adherence (Higher is Better)

Schedule adherence (on-time performance) is projected to be 96% through FY16, meeting the FY16 performance target. On-time performance is rarely 100% due to road construction, long-term detours and increased dwell times in some corridors caused by heavy boarding volumes. Within recent years, service schedule improvement has contributed in maintaining on-time performance above 90%. With the implementation of the Avail system, the number of scheduled checks conducted on daily service has dramatically increased; approximately 2,000 schedule checks are undertaken by our road supervisors on a monthly basis. Avail is capable of scanning over 50,000+ schedule checks per month; the increased data has resulted in a more accurate measure of on-time performance (80%). Therefore, a 95% on-time performance target has been set for FY17, coinciding with Section 11 of AVTA's contract with operation & maintenance subcontractor Transdev.

Average Hold Time (Lower is Better)

The Average hold time for assistance calls into AVTA's Customer Service Center for FY16 is projected to be 45 seconds. The targeted hold time for FY17 will continue to be maintained at the standard of one minute.

Average Miles Between Service Interruptions (Higher is Better)

AVTA uses miles between service interruptions as a measure for the goal of providing outstanding customer service. It measures the performance of AVTA's maintenance function and reflects customer delays resulting from mechanical service interruptions. The FY16 projections indicate 15,601 miles between service interruptions, above the FY16 performance target of 15,500 miles. The FY16 target will be maintained at 15,500 miles between service interruptions.

Boardings per Revenue Service Hour (Higher is Better)

The projected boardings per vehicle revenue hours is projected at 17.5, which is considerably below the performance target of 19.5. In FY17, service hours are expected to increase by 1% while boardings are expected to decrease by 10%; thus the FY17 performance target has been reduced to 17.0 boardings per service hour.

Average Weekday Boardings

In FY16, AVTA carried an estimated average of 11,395 per weekday, below the performance target of 12,250. The FY17 performance target has been set at 11,000, coinciding with the anticipated decrease in passenger boardings discussed above.

Average Cost per Vehicle Service Hour

Contractual increases in operating costs and fluctuations in fuel costs are primary influences of AVTA's cost per vehicle revenue hour (VRH). The projected FY16 cost per VRH system-wide is projected to be \$112.42, well below the FY16 target of \$114.61. The FY17 proposed cost per VSH \$114.47.

Farebox Recovery Ratio

Passenger fares as a percentage of total operating costs (Farebox Recovery Ratio) measure the cost efficiency of transit services provided. In FY16, the farebox recovery ratio is projected to be 26.62%. The local transit farebox recovery ratio is 14.0%; the total figure is heavily influenced and improved by the commuter farebox recovery ratio, which exceeds 80%. In FY17, the farebox recovery ratio target is 26.11%.

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SERVICE SUMMARY

Service Hours, Routes and Fares for Fiscal Year 2016

The FY17 Business Plan includes:

- Operations for 12 local fixed routes;
- Two supplemental routes that coordinate with school schedules;
- Three commuter express lines connecting Antelope Valley residents to Downtown Los Angeles, Century City, and the San Fernando Valley; and
- The North County TRANSporter, providing supplemental Metrolink service between the Antelope and Santa Clarita Valleys.

Annual vehicle service hours for each mode are shown in the table below.

Exhibit D3 - FY16 Projected Vehicle Revenue Hours (excluding Dial-A-Ride Service)

Service Category	Routes	Vehicle Service Hours
Local Transit	1, 2, 3, 4, 5, 6, 7, 10, 11, 12, 15, Lake L.A. Express, 94, 98	147,454
Commuter Express	North County TRANSporter, 785, 786, 787	28,590
Totals		176,044

Local Service Routes

AVTA local service operates weekdays from 5:05 a.m. to 11:47 a.m., and Saturdays and Sundays from 5:50 a.m. to 9:45 p.m. There is no service is provided on the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. AVTA’s local routes are described below.

Route 1: This line connects Lancaster and Palmdale via 10th Street West and Palmdale Blvd. Northbound, the route begins at Avenue S & 47th Street East (Walmart), travels west along Palmdale Blvd, turns north to serve the Palmdale Transportation Center via 6th Street East, and then travels on Technology Drive until 10th Street West. On 10th Street West the route serves the Antelope Valley Mall, Lancaster City Park, and central Lancaster, terminating at the Lancaster Metrolink Station via Avenue I.

Route 2: This line operates within Palmdale, connecting the Antelope Valley Mall to 47th Street East & Avenue S (Walmart). Major destinations served by this route include the Antelope Valley Mall, Palmdale Regional Medical Center, Avenue R, and the Antelope Valley Medical Center, and 47th & Avenue S retail corridor. The Route 2 provides service on a 30-minute frequency and is interlined with Route 3.

Route 3: Similar to Route 2, this line provides service throughout the City of Palmdale, connecting the west and east areas of the city. Route 3 provides service every 30 minutes through the Avenue R corridor. The service area includes the 47th St. East and Avenue S retail corridors, Palmdale City Hall, the Palmdale Transportation Center and the Antelope Valley Mall.

Route 4: This line provides service within the City of Lancaster, operating every 60 minutes. Single transfer connections can be made with most AVTA local and commuter lines at Lancaster City Park (LCP). Other major stops include the Los Angeles County Social Services offices, the Lancaster Metrolink Station, the AVTA Operations and maintenance Facility and the Michael D. Antonovich Courthouse.

Route 5: Connecting Quartz Hill to the City of Lancaster, Route 5 runs hourly and provides connections along Avenue L to the shopping centers and businesses along that corridor, terminating at the Lancaster City Park transit center. The main passenger generators are the Mayflower Gardens senior housing complex, the 50th St. West and Avenue M (Columbia Way) retail corridor and the Kaiser Permanente Facility on 15th street west.

Route 6: This line provides service to the communities of Little Rock and Sun Village, with the route beginning at 47th East/Avenue S. It proceeds east on SR-138 to 82nd St. East, and then turns north toward Sun Village. Continuing north, the route makes a loop to serve Jackie Robinson Park and Littlerock High School. This line operates on a 90-minute frequency and provides a single point of transfer to the cities of Palmdale and Lancaster on Routes 1, 2, 3, 10, the Lake Los Angeles connection and Route 15, to Pearblossom service.

Route 7: Operating on a 60-minute frequency, this line connects passengers to the west side of both Lancaster and Palmdale. Route 7 originates at The Lancaster Metrolink Station, travels north on 10th Street West, turns west on Avenue H and then south on 10th Street West. The route continues south on 60th Street West, cuts over to 50th Street West via Avenue L-8 and then turns southeast onto Rancho Vista Blvd. to serve the residential areas of Rancho Vista and Quartz Hill. The route terminates at the Palmdale Transportation Center. The main passenger generators are the Antelope Valley Mall, the retail centers along 10th Street West and Rancho Vista Blvd., Highland and Quartz Hill High Schools and the Lancaster Senior Center.

Route 10: Route 10, a rapid-type of service in order to improve service connections and speeds along the Palmdale and 10th St West. New stops were added to allow additional single point transfers at major intersections within the service area, such as Rancho Vista Blvd. and 10th Street West and Avenue K and 10th Street West. New stops were added along Palmdale Blvd. and at Avenue J and Fig Street, in order to serve the University of Antelope Valley campus at that location. Service was also concentrated throughout the peak periods only during the AM hours between 7:30 am and 11:20 am, and in the PM hours between 1:30 pm to 6:30 pm.

Route 11: This line provides service throughout the City of Lancaster, connecting the west and east sides of the city. Route 11 serves Avenue J from 20th St East to 30th St. West on 30-minute frequencies. After stops along Valley Central Way, the route continues south on 30th Street West turning eastbound on Avenue K, south on 17 St. West, and finally turning east on Avenue K-8 to the Lancaster City Park Transit Center. Main passenger generators are Antelope Valley College, the businesses along Valley Central Way. Connections to the Lancaster Metrolink Station can also be made from this line.

Route 12: Similar to Route 11, Route 12 also provides passenger connectivity between the west and east areas of the City of Lancaster. This line provides service along the Avenue I corridor traveling west and heads south along 30th Street West to Lancaster Blvd., turning east to 15th Street West. The route continues south on 15th Street West to Avenue K, continuing eastbound to 10th Street West then south to the Lancaster City Park Transit Center. Main passenger generators are businesses along Avenue I, Antelope Valley Hospital, the Lancaster Senior Center, the Employment Development Department offices and the Department of Motor Vehicles.

Route 15: This route operates on a 60-minute frequency on six trips throughout the day with no weekend service, utilizing Pearblossom Highway- route 15 provides a life-line type service, transfer connections can be

made to Routes 1, 2, 3 and 10, connecting Pearblossom residents with the rest of the Antelope Valley and beyond.

Lake Los Angeles Express: This line connects both Palmdale and Lancaster to the Lake Los Angeles community, approximately 20 miles east of the Palmdale Transportation Center. The Lake L.A. Express service begins at the Lancaster City Park Transit Center heading east to 20th Street East and then turning east to Avenue J. The route continues eastbound on Avenue J with a stop at 30th Street East before turning south at 150th Street East to Avenue K-8 then south on 170th Street East. The route works its way through Lake Los Angeles before turning westbound, with stops in Sun Village and Littlerock. The route then proceeds to Avenue P and then northbound to the Palmdale Transit Center. This route operates on a variable 60-to120- minute frequencies.

Supplemental Local Service

The following supplemental routes operate during peak morning and afternoon hours, alleviating passenger overcrowding caused by increases in student ridership. Service is open to all patrons.

Route 94: This line provides tripper service that includes Eastside and Antelope Valley High Schools, supporting Route 1 on the 10th Street West corridor and terminating at the Lancaster City Park Transit Center.

Route 98: This line provides tripper service for Pete Knight High School and Shadow Hills Middle School, terminating at the Palmdale Transit Center utilizing Palmdale Blvd and Avenue R

Fares

Local Fare Structure

AVTA’s three service modes, Local, Commuter and Dial-A-Ride, each have their own fare structure. This section outlines the fares for each type of service.

AVTA’s fares for local services are summarized in the following table:

***Exhibit D4.1 - Local Service Fare Table**

Regular Cash Fare	\$1.50
4-Hour Ticket	\$2.00
One Day Pass	\$5.00
Weekly Pass	\$15.00
31-Day Pass	\$50.00
Senior/Disabled – Regular Cash Fare	\$0.75
Senior/Disabled - 4-Hour Ticket	\$1.00
Senior/Disabled - One Day Pass	\$2.50
Senior/Disabled - Weekly Pass	\$7.50
Senior/Disable - 31-Day Pass	\$25.00
Active and Retired Military	FREE

Local Service Fare Policy

In June 2015, the AVTA Board of Directors adopted a new fare structure which eliminated the reduced TAP card promotional program, which decreased the \$1.50 base fare to \$1.25. Also introduced was a reduced fare to senior and disabled riders of 75¢. Active, Retired Military and vetted Access Services riders will continue to board for free. Up to four children may ride the fixed route system at no charge when traveling with a paying adult where no child exceeds the maximum height requirement of 44 inches.

Commuter Service

AVTA provides commuter service from the Antelope Valley to downtown Los Angeles, Century City, and the San Fernando Valley. Lancaster City Park and the Palmdale Transportation Center are the designated morning pick-up and evening drop-off locations for commuter services. **All commuter fares are discounted 50% for senior and disabled passengers.** For consistency, travel times on the commuter express service were refined to accurately match the travel time required between time points for each trip made during the day. Additional trips were added in FY16, funded by a JARC Commuter Expansion Grant awarded in September 2015.

Route 785 to Los Angeles

This line operates 18 daily trips, carrying passengers to the Downtown business district of Los Angeles, between First and 8th Streets on the north and south, and from Main to Figueroa Streets on the east and west. There are nine morning departures from the Antelope Valley between 3:50 a.m. and 6:30 a.m., and nine afternoon departures from Los Angeles between 2:50 p.m. and 5:40 p.m. Trip times average two hours each way.

Current fares for Route 785 are outlined in the following table:

Exhibit D4.2 – Route 785 Fare Table

One-Way Cash/Tap Fare	\$ 9.25
Ten-Trip Ticket	\$85.00
Monthly Pass	\$296.00
EZ Transit Pass (Zone 10)	\$330.00

Route 786 to West LA and Century City

This line operates 10 daily trips, traveling from the Antelope Valley to West Los Angeles, completing stops in Century City and along Wilshire Blvd., Santa Monica Blvd. and at the University of California, Los Angeles (UCLA). There are four morning departures from 4:00 a.m. to 5:40 a.m., and four afternoon departures from Century City are from 2:50 p.m. to 4:50 p.m.

Current fares for Route 786 are outlined in the following table:

Exhibit D4.3 – Route 786 Fare Table

One-Way Cash/TAP Fare	\$10.75
Ten-Trip Ticket	\$99.00
Monthly Pass	\$344.00
EZ Pass (Zone 11)	\$352.00

Route 787 to San Fernando Valley

This line operates 18 daily trips, carrying passengers to the business districts of the west San Fernando Valley along Plummer St., Desoto Ave, Victory Blvd., Canoga Avenue, and The Cal State University Northridge (CSUN) Transit Center. There are nine morning departures from 4:00 a.m. to 6:30 a.m., and nine afternoon departures from San Fernando Valley from 2:50 p.m. to 5:45 p.m. Due to the unexpected increase in student riders; frequencies were also changed from 20-35 minutes to 20 minutes. Departure times were also adjusted in order to continue to balance increasing loads.

Current fares for Route 787 are outlined in the following table:

Exhibit D4.4 – Route 787 Fare Table

One-Way Cash/TAP Fares	\$ 8.75
Ten-Trip Ticket	\$80.00
Monthly Pass	\$280.00
EZ Pass	\$308.00

Route 790 – North County TRANSporter

The North County TRANSporter is designed to connect transportation services between the Santa Clarita and Antelope Valleys during off-peak hours, Monday through Friday. The North County TRANSporter provides 10 weekday trips between the Newhall Metrolink Station and the Palmdale Transportation Center; three trips of these trips extend to the McBean Transit Center in Santa Clarita. The service is intended to connect TRANSporter passengers with Metrolink trains, and the schedules have been made to coincide to make travel convenient. The North County TRANSporter will also connect to the Santa Clarita Transit’s 757 North Hollywood (“NoHo”) Express service.

Current fares for the 790 are outlined in the following table:

Exhibit D4.5 – Route 790 Fare Table

One way Cash/ TAP Fare	\$5.00
Senior/Disabled/Medicare	\$2.50
Valid Metrolink Ticket	FREE
Monthly Pass	\$150.00
Senior/Disabled	\$75.00
EZ Pass	\$286.00
Senior/Disabled	\$118.00

Dial-a-Ride Service (DAR)

AVTA provides supplemental Dial-A-Ride demand response service to residents of Lancaster, Palmdale, and the unincorporated portions of Los Angeles County within the Antelope Valley. The boundaries for the Antelope Valley DAR service area are the Kern County Line to the north, the San Bernardino County Line to the east, the Angeles National Forest boundary to the south, and Interstate 5 on the west. AVTA Dial-a-Ride is supplemental to the service provided by Access Services, the agency responsible for providing complementary ADA paratransit services for Los Angeles County.

Dial-A-Ride service is provided by IntelliRide as AVTA’s subcontractor. They provides origin-to-destination service in designated urban and rural areas within the AVTA service area. In rural areas, DAR operates 7 days a week and serves the general public. In urban areas, DAR is available 7 days a week to seniors (65 and over) and Persons with Disabilities. The urban boundaries of DAR service are Avenue G to the north, 180th St. East, 70th street West and Mt. Emma Rd to the south.

DAR clients may reserve rides up to two days in advance of travel. Standing (subscription) orders may be scheduled and currently make up approximately 22% of total trips. AVTA’s contract with IntelliRide limits the number of trips to 33,000 annually.

The fare structure is detailed in the following table:

Exhibit D5 – Dial-A-Ride Fare Table

Urban Zone:	
One Way	\$3.00
Group Rate (3+)	\$1.25/person
Rural Zone One:	
One-Way	\$3.50
Group Rate (3+)	\$1.75/person
Rural Zone Two:	
One-Way	\$6.00
Group Rate (3+)	\$3.00/person

Fiscal Year 2017 | Potential Service Changes

In FY15, AVTA completed the “Route to Success”, a comprehensive operational analysis (COA) and Ten-year service plan. The final report analyzed AVTA’s service in its current state, conducted in-depth analyses on system performance, route level summaries, service area demographics/densities and the results of the public outreach and online survey. A short range service plan was also developed as a template for AVTA to use moving forward.

Since the COA, service changes have been implemented to enhance AVTA’s on-time performance, increase frequency and improve connectivity while addressing increased passenger loads on its most heavily used routes. Routes are continuously analyzed, resulting in 2 service improvements each year; the changes are timed to coincide with coach operator bid schedules during the months June and January.

As the FY17 business plan and Short Range Transit Plan (SRTP) is being finalized, proposed service changes are being developed and presented to the public via extensive community outreach. Final recommendations will be presented at the May 24, 2016 Board of directors meeting, with implementation by July 25th 2016, beginning of the 2017 fiscal year.

The potential service changes for the upcoming 2017 fiscal year are shown below:

Route 1

Route 1 has the highest annual boardings and the most active service of any AVTA route. Several service enhancements have been implemented on the route in order to improve connectivity and enhance speeds throughout all trips. The service underwent additional service enhancements at the beginning of FY16. Routing was improved by utilizing Palmdale Blvd instead of Avenue S as the central east and west corridor connecting to 10th St. West, while maintaining passenger connections at Palmdale Transportation Center, Lancaster City Park and the route termination at Sierra Hwy. and Lancaster Blvd.

To help decrease overcrowding and further improve connections on the Route 1, staff is proposing to increase frequencies on this route by 20 minutes during peak times during the week. Saturday service will also see improvements from 60 minute all day frequencies to 30 minutes at peak service times.

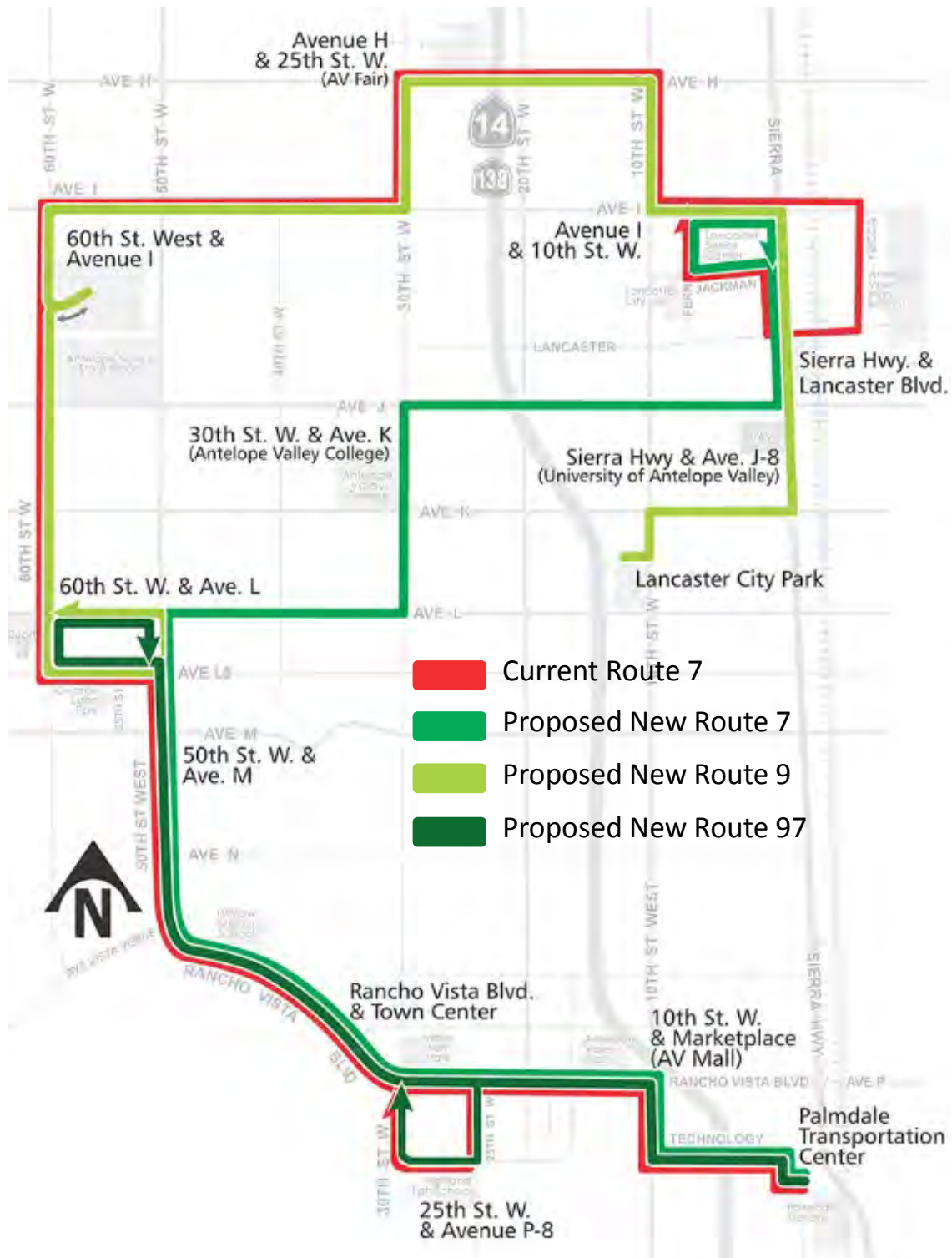
Route 4

Route 4 operates between Lancaster City Park and downtown Lancaster, serving the AVTA offices, the Antelope Valley Courthouse, the Department of Social Services, Antelope Valley High School, Lancaster Metrolink Station, the Lancaster Public Library and Lancaster City Hall. Route 4 is one of the most productive AVTA routes, as measured by boardings per service hour, particularly during the weekday. Unfortunately, weekend boardings have drastically declined. The initial proposal was to eliminate weekend service entirely, but after receiving additional feedback from coach operators, weekend service frequency is proposed to be reduced from 60 minutes to 120 minutes while still providing connectivity to the servicing community along the corridor during the weekends.

Route 7

Route 7 has an average of 652 daily boardings and 21.5 boardings per revenue hour. The most boarding activity occurs at the route termination points, downtown Lancaster, at Quartz Hill High School, Highland High School and at 10th Street West & Marketplace Drive (shopping center, Target, transfers to Routes 1, 2, and 10). Ridership on West Avenue H and has continued to decrease along that corridor since High Desert Hospital

moved to a brand new state-of-the-art facility on Avenue I, east of Division Street. The proposal to reroute service along 30th St. West will provide improved service connectivity to Antelope Valley College (AVC), Antelope Valley Hospital, University of Antelope Valley and the Lancaster Metrolink Station. New service is also proposed (Route 9) to the Antelope Valley Fairgrounds, Veterans Home (30th St. West and Avenue I) and on the Los Angeles County and California State Prison facilities. Supplemental service (Rt. 97) for Highland and Quartz Hill High Schools would be reinstated.



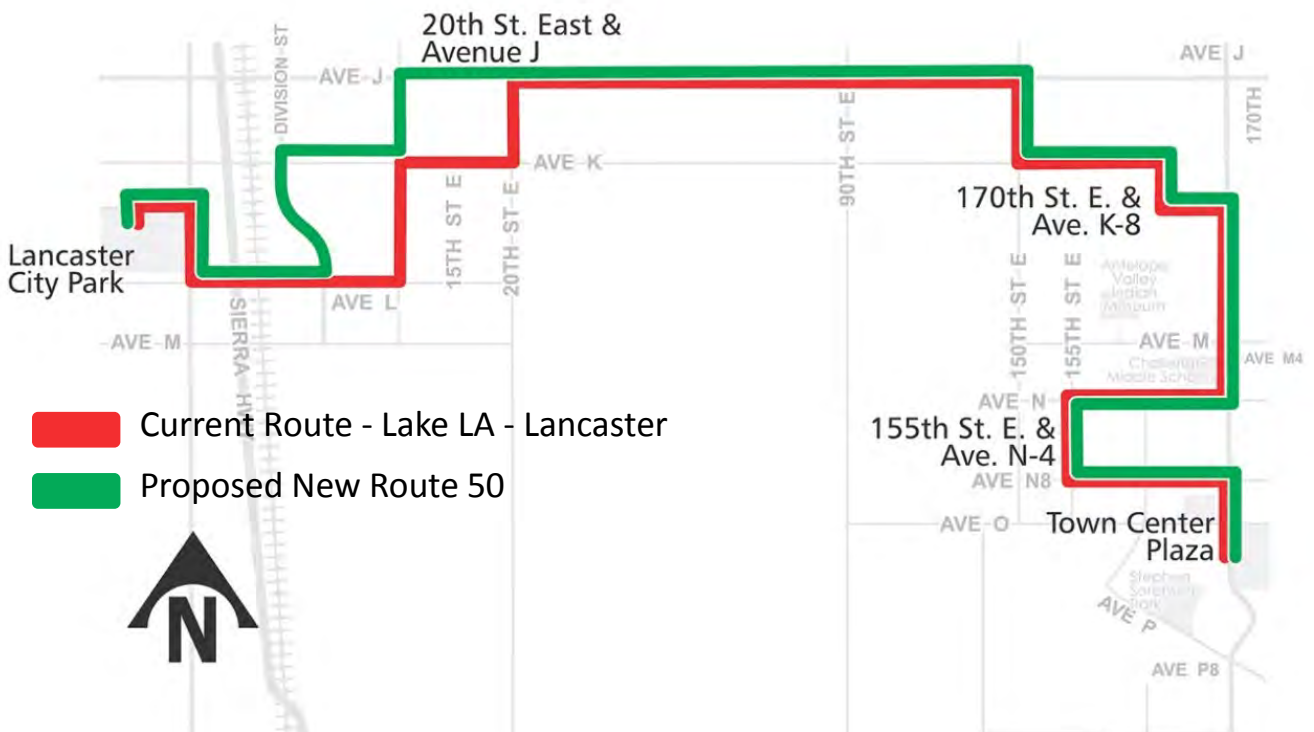
Proposed service realignment for Route 7, Route 9 and Route 97.

Route 10

Route 10 was designed to provide limited-stop service along the 10th St. West and Palmdale Blvd. corridors, which is duplicated by the Route 1. It operates between 47th Street East & Avenue S and the University of Antelope Valley. Ridership on Route 10 continues to be very low, with only 174 daily boardings and eight boardings per service hour, the second-lowest of all routes. The most boarding activity occurs at Lancaster City Park, Palmdale Avenue & 9th Street East (Palmdale City Hall) and Palmdale Transportation Center. The proposal is to cancel service on the Route 10 and utilize its resources on the Route 1 to help increase frequency and improve service loads.

Route 50 (Lake Los Angeles – Lancaster)

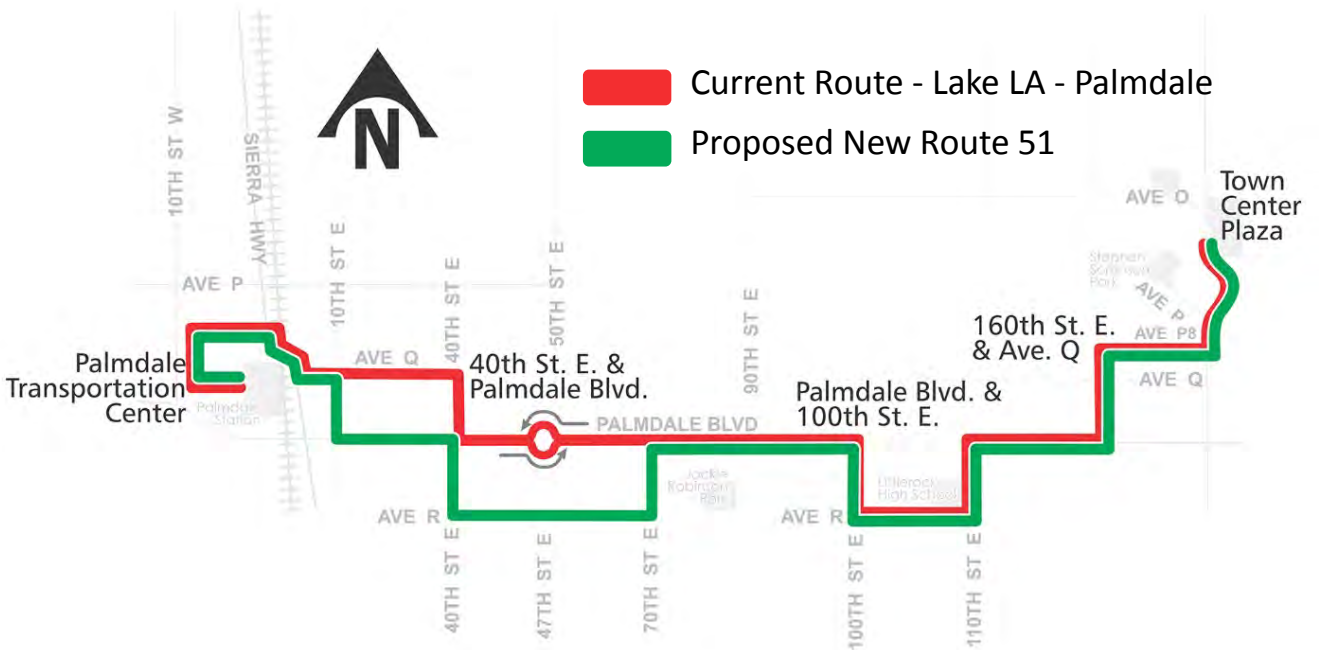
Staff is proposing that the Lake Los Angeles to Lancaster service be renamed to Route 50 – Lake Los Angeles - Lancaster. Although most service is maintained throughout the current corridors including the Lake Los Angeles community, the new proposal will reroute service from Challenger Way and 20th Street East between Avenue J and Avenue L and propose moving service along 15th Street East and through Division St. along Business Center Parkway between Avenues K and L. This change will provide additional service to all Los Angeles County social services offices while also supplementing service on Route 4.



Proposed service realignment for Route 50.

Route 51 (Lake Los Angeles – Palmdale)

Staff is proposing that the Lake Los Angeles Service to Palmdale be renamed to the Route 51 – Lake Los Angeles - Palmdale. Although most the service is maintained throughout the current corridors including the Lake Los Angeles community, the new proposal reroutes service along Avenue R Between 70th St. East and 40th St. East. Service is also proposed to be aligned along Palmdale Blvd. between 40th St. East and 10th St. East. This change will improve passenger’s connectivity to Pete Knight High School, Avenue R & 47th St. and the entire Palmdale Blvd. retail corridor with safer, bi-directional stops along Avenue R.



Proposed service realignment for Route 51.

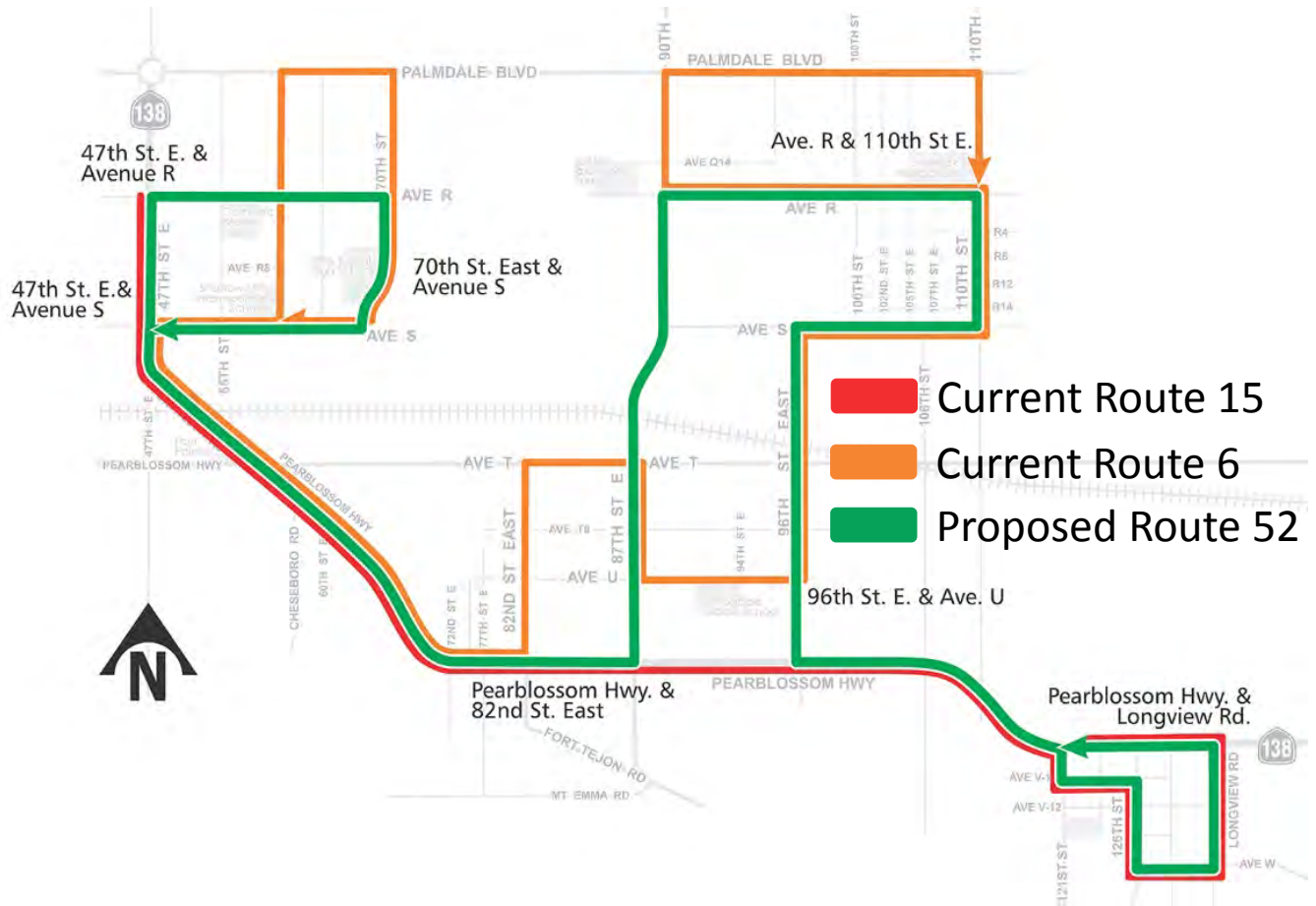
Route 52 (Littlerock and Pearblossom)

Route 6 currently serves Palmdale and Littlerock, operating between 47th St. East & Avenue S and 90th Street East & Palmdale Blvd. Destinations served include Pete Knight High School, Littlerock High School, and major shopping destinations at 47th St. East & Avenue S.

Route 15 currently serves the community of Pearblossom, operating from 47th Street East & Avenue R to Pearblossom via Pearblossom Highway. Service does not operate between 11 a.m. and 3:30 p.m. There is no weekend service.

Route 52 (Littlerock and Pearblossom) cont.

While it is recognized that both rural routes provide lifeline service to residents who may not have access to other transportation options, residential densities are very low. The proposal is to combine both routes into one service. The rural Route 52 would continue to provide service to both the Littlerock and Pearblossom communities, maintaining a 120 minute frequency. Weekend service would also be extended to Pearblossom.



Proposed service realignment for Route 52.

Sunday Service

Sunday ridership boardings average less than 2,000, and tends to be the lowest day of the week when compared to both average weekday boardings (11,000) and Saturday boardings (4,000). Route activity decreases after 6:00 pm. A reduction of one hour is being proposed for Sunday service.

Holiday Service

Currently AVTA does not provide Holiday services. The proposal is to maintain *Sunday-Type* (i.e. minimal) service during the following holidays: Memorial Day, Independence Day, Labor Day, Thanksgiving, Christmas Day and New Year's Day.

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FLEET AND FACILITIES
AVTA Fleet

Bus models obtained on or after 2013, but prior to 2017, are California Air Resources Board (CARB) approved “clean diesel” buses. Based on the Authority’s strategic plan, buses procured in the summer of 2016 and beyond will be battery electric models. The first (2) 40’ battery electric local transit buses have been in service since the 2nd quarter of FY15; the 73 current diesel buses will be replaced with 83 battery electric models, to create a bus fleet with 85 units.

AVTA’s local transit buses use a low-floor design that makes it easier for passengers to get on and off the vehicle. Local transit vehicles seat 38 to 43 passengers and have two wheelchair positions. The front of the bus can be lowered (called “kneeling”) to accommodate passengers who have difficulty boarding.

The Commuter Service to Downtown Los Angeles, West Los Angeles and the San Fernando Valley use a mix of commuter coaches which seat 53 passengers. The commuter coaches are lift-equipped to accommodate wheelchairs, and feature high-back reclining seats, individual reading lights and air conditioning vents for passenger comfort. On-board restrooms add an extra convenience.

Dial-A-Ride Service is provided by IntelliRide, a division of Veolia Transportation. IntelliRide will provide sufficient vehicles on demand. The fleet includes wheelchair accessible vehicles.

Ex D6 - Revenue Vehicle inventory as of April 2016

Service Type	Year Built	Manufacture	Model	Seats	Length	Fuel Type	Total Vehicles
Commuter	2004	MCI	D4500	53	45	Diesel	13
Commuter	2008	MCI	D4500	53	45	Diesel	6
Commuter	2013	MCI	D4500	53	45	Diesel	6
Commuter	2015	MCI	D4501	53	45	Diesel	5
Local Service	2001	Gillig	Low Floor	38	40	Diesel	1
Local Service	1992	Gillig	High Floor Phantom	43	40	Diesel	5
Local Service	2004	Gillig	Low Floor	43	40	Diesel	13
Local Service	2013	Gillig	Low Floor Hybrid	38	40	Diesel	15
Local Service	2003	NABI	D4500	40	40	Diesel	6
Local Service	2014	BYD	Low Floor BE-Buses	40	35	Electric	2
Local Service	2015	Gillig	Low Floor	43	40	Diesel	3
Total Revenue Vehicles							75

AVTA Facilities Update

The FY17 capital plan includes \$34.7 million for bus fleet and facilities projects.

Highlights include:

\$26.6 million: 29 battery electric buses and related items

Units are local transit fleet replacements of diesel buses

Major funding provided by California's Transit and Intercity Rail Capital Program

(13) 60 articulated local transit buses

(16) 45' commuter coaches

Major bus components and replacement support vehicles

\$6.3 million: Facility and en-route inductive charging infrastructure

\$1.2 Million: Regional Partnership Project (facility projects on AVTA's routes)

\$475K: AVTA facilities upgrade projects

\$307K: Data & Communications and miscellaneous

“L” Tables for Fiscal Years 2015, 2016 and 2017

Table L-1: Current Fare Structure

Table L-2: Fleet Inventory as of April 2016

Table L-3: Historical & Projected Fleet Characteristics

Table L-4(A): Historical and Projected Financial Status -
Source and Application of Capital Funds

Table L- 4(B): Historical and Projected Financial Status -
Source and Application of Operating Funds

Table L-5A: TPM/TDA Report Form – 2015 Audited Figures

Table L-5B: TPM/TDA Report Form – 2016 Projected Figures

Table L-5B: TPM/TDA Report Form – 2017 Planned Figures

Table L-6: Performance Audit Follow-Up of Recommendations
From the Last Completed Performance Audit of 2014 (includes of FY12, 13 and 14)

Table L-7: Capital Project Summary – Audited FY15, Projected FY16, Planned FY17

Table L - 1
Current Fare Structure: FY16

Fare Categories	Type of Service	
	Fixed Route	Demand Responsive
Cash/TAP		
Regular TAP	\$1.50	\$3 urban / \$6 rural
Token	N/A	N/A
Elderly	\$0.75	\$3.00
Disabled/Medicare	\$0.75	\$3.00
Active Military / Veteran	Free	\$3.00
Student	N/A	N/A
College	N/A	N/A
Express - Specify Zone Structure	N/A	2 rural, 1 urban
Cash Transfers		
Regular within System	N/A	N/A
Regular to other System	\$0.25	N/A
Elderly	N/A	N/A
Disabled/Medicare	N/A	N/A
Local Passes		
Regular (31-Day Pass)	\$50.00	N/A
Weekly Pass	\$15.00	N/A
Day Pass	\$5.00	N/A
Four Hour Pass	\$2.00	N/A
Elderly / Disabled - Regular (31-Day Pass)	\$25.00	N/A
Elderly / Disabled - Weekly Pass	\$7.50	N/A
Elderly / Disabled - Day Pass	\$2.50	N/A
Elderly / Disabled - Four Hour Pass	\$1.00	N/A
Active Military / Veteran	N/A	N/A
North County Transporter		
	Regular	Senior /Disabled
Regular - TAP	\$5.00	\$2.50
EZ Transit Pass (Zone 8)	\$286.00	\$118.00
Monthly Pass	\$150.00	\$75.00
Commuter Service		
	Regular	Senior /Disabled
Commuter Express - 785		
Regular	\$14.00	\$7.00
TAP Regular	\$7.60	\$3.80
10 Ride Pass	\$76.00	\$38.00
31 Day Pass	\$266.00	\$133.00
Commuter Express - 786		
Regular	\$16.00	\$8.00
TAP Regular	\$8.85	\$4.40
10-Ride Pass	\$88.50	\$44.00
31-Day Pass	\$310.00	\$155.00
Commuter Express - 787		
Regular	\$14.00	\$7.00
TAP Regular	\$7.10	\$3.55
10-Ride Pass	\$71.00	\$35.50
31-Day Pass	\$249.00	\$124.50
EZ Pass Regional		
Zone - 8	\$260.00	\$111.00
Zone - 9	\$282.00	\$120.50
Zone -10	\$304.00	\$130.00
Zone - 11	\$326.00	\$139.50

Prepared by: DA

**Table L - 3
HISTORICAL & PROJECTED FLEET CHARACTERISTICS**

	FIXED ROUTE		
	FY2015 Actual	FY2016 Estimated	FY2017 Planned
Peak-Hour Fleet	63	63	63
Spares For Maint.	12	12	12
Spare Ratio	19%	19%	19%
Contingency Reserve	0	0	0
Inactive Fleet	0	0	0
Total Vehicles	75	75	75
Total Vehicles (excluding contengency)	75	75	75
New Expansion Vehicles			
New Replacement Vehicles			

	DEMAND RESPONSIVE SERVICE		
	FY2015 Actual	FY2016 Estimated	FY2017 Planned
Peak-Hour Fleet	N/A	N/A	N/A
Spares For Maint.	N/A	N/A	N/A
Spare Ratio	N/A	N/A	N/A
Contingency Reserve	N/A	N/A	N/A
Inactive Fleet	N/A	N/A	N/A
Total Vehicles	N/A	N/A	N/A
New Expansion Vehicles			
New Replacement Vehicles			

	SYSTEM TOTAL		
	FY2015 Actual	FY2016 Estimated	FY2017 Planned
Peak-Hour Fleet	63	63	63
Spares For Maint.	12	12	12
Spare Ratio	19%	19%	19%
Contingency Reserve	0	0	0
Inactive Fleet	0	0	0
Total Vehicles	75	75	75
Total Vehicles (exluding contengency)	75	75	75
New Expansion Vehicles			
New Replacement Vehicles			

Prepared by: DA

**Table L - 3
 HISTORICAL & PROJECTED FLEET CHARACTERISTICS**

	FIXED ROUTE		
	FY2015 Actual	FY2016 Estimated	FY2017 Planned
Peak-Hour Fleet	63	63	63
Spares For Maint.	12	12	12
Spare Ratio	19%	19%	19%
Contingency Reserve	0	0	0
Inactive Fleet	0	0	0
Total Vehicles	75	75	75
Total Vehicles (excluding contingency)	75	75	75
New Expansion Vehicles			
New Replacement Vehicles			

	DEMAND RESPONSIVE SERVICE		
	FY2015 Actual	FY2016 Estimated	FY2017 Planned
Peak-Hour Fleet	N/A	N/A	N/A
Spares For Maint.	N/A	N/A	N/A
Spare Ratio	N/A	N/A	N/A
Contingency Reserve	N/A	N/A	N/A
Inactive Fleet	N/A	N/A	N/A
Total Vehicles	N/A	N/A	N/A
New Expansion Vehicles			
New Replacement Vehicles			

	SYSTEM TOTAL		
	FY2015 Actual	FY2016 Estimated	FY2017 Planned
Peak-Hour Fleet	63	63	63
Spares For Maint.	12	12	12
Spare Ratio	19%	19%	19%
Contingency Reserve	0	0	0
Inactive Fleet	0	0	0
Total Vehicles	75	75	75
Total Vehicles (excluding contingency)	75	75	75
New Expansion Vehicles			
New Replacement Vehicles			

Prepared by: DA

Table L - 4 (A)
HISTORICAL AND PROJECTED FINANCIAL STATUS
SOURCE AND APPLICATION OF CAPITAL FUNDS

BY YEAR OF EXPENDITURE (\$ 000)

SOURCE OF CAPITAL FUNDS:	2015	2016	2017
	Audited	Planned	Estimated
FEDERAL CAPITAL GRANTS			
FTA Sec. 5307	\$ 3,647	\$ 5,225	\$ 3,475
FTA Sec. 5339 (formerly 5309)	\$ -	\$ -	
FTA Sec. 5337 (Map-21)	\$ -	\$ -	
Other Federal (Assume 80/20 match)	\$ -	\$ -	
STATE CAPITAL GRANTS AND SUBVENTIONS			
Cap & Trade	\$ -	\$ -	\$ 24,562
TDA (ART 4) current from unallocated			
TDA from prior years reserves	\$ -	\$ -	\$ -
TDA (ART 8)	\$ -	\$ -	\$ -
STA current from unallocated - N/A	\$ -	\$ -	\$ -
STA from prior years reserve	\$ -	\$ -	\$ -
State Prop 1B PTMISEA	\$ -	\$ -	\$ -
State Prop 1B PTMISEA Bridge Funds	\$ 326	\$ 326	\$ 326
State Prop 1B Homeland Security	\$ 96	\$ 96	\$ 96
State Prop 1B Homeland Security Bridge Funds	\$ 52	\$ 52	\$ 53
LOCAL CAPITAL GRANTS			
System Generated	\$ -	\$ -	\$ -
General Fund	\$ -	\$ -	\$ -
Prop. A Local Return	\$ -	\$ -	\$ -
Prop. A Discretionary	\$ -	\$ -	\$ -
Prop. C Discretionary	\$ -	\$ -	\$ -
Prop. C Local Return	\$ -	\$ -	\$ -
Prop. C 5% Security	\$ -	\$ -	\$ -
Prop. C Other	\$ -	\$ -	\$ -
Measure R (capital)	\$ 162	\$ -	\$ 164
Other Local (AVAQMD)	\$ -	\$ 250	\$ -
Other Local (<i>Lancaster, LA County, Palmdale</i>)	\$ 461	\$ 461	\$ 461
TOTAL CAPITAL REVENUE	\$ 4,744	\$ 6,410	\$ 29,137
TOTAL CAPITAL EXPENSES	\$ 3,700	\$ 9,275	\$ 28,184

Prepared by: JV-F

Table L - 4 (B)
HISTORICAL AND PROJECTED FINANCIAL STATUS
SOURCE AND APPLICATION OF OPERATING FUNDS
BY YEAR OF EXPENDITURE (\$ 000)

SOURCE OF OPERATING FUNDS:	2015 Audited	2016 Projected	2017 Planned
FEDERAL CASH GRANTS AND REIMBURSEMENTS			
FTA Sec. 5307 Operating and PM	\$ 7,082	\$ 6,478	\$ 6,610
CMAQ (Operating)	\$ -	\$ -	\$ -
STATE CASH GRANTS AND REIMBURSEMENTS			
TDA Current from unallocated	\$ -	\$ -	\$ -
STA Current from unallocated	\$ -	\$ -	\$ -
LOCAL CASH GRANTS AND REIMBURSEMENTS			
Passenger Fares	\$ 4,844	\$ 5,357	\$ 5,410
Special Transit Service	\$ -	\$ -	\$ -
Charter Service Revenues	\$ -	\$ -	\$ -
Auxiliary Transportation Revenues	\$ -	\$ -	\$ -
Non-transportation Revenues	\$ 519	\$ 434	\$ 456
Prop. A 40% Discretionary	\$ 4,165	\$ 4,420	\$ 4,194
Prop. A 25% Local Return	\$ -	\$ -	\$ -
Prop. A Discretionary Incentive (for DAR)	\$ 272	\$ 320	\$ 320
Prop. A Interest	\$ -	\$ -	\$ -
BSIP	\$ 45	\$ 46	\$ 47
TSE	\$ 357	\$ 364	\$ 371
Base	\$ -	\$ -	\$ -
Prop. C 40% MOSIP	\$ 1,029	\$ 1,075	\$ 1,128
Prop. C 20% Local Return	\$ -	\$ -	\$ -
Prop. C 5% Security	\$ 211	\$ 208	\$ 219
Prop. C 40% Foothill Mitigation	\$ 16	\$ 21	\$ 12
Prop. C Interest	\$ -	\$ -	\$ -
Other Local (<i>Lancaster, LA County, Palmdale</i>)	\$ 3,292	\$ 3,294	\$ 3,296
Other Local (Measure R)	\$ 2,234	\$ 2,195	\$ 2,317
TOTAL OPERATING REVENUES	24,068	24,210	24,379
TOTAL OPERATING EXPENSES W/O DEPRECIATION	21,364	21,546	22,149

Prepared by RN

**Table L - 5A
TPM / TDA REPORT FORM
FY 2015 ENDED JUNE 30, 2015 --- AUDITED**

Annual Totals	FAP Funded					Proposition C 40% Discretionary				Total MTA Funded	Other Code DAR	System Total	
	TDA, STA & Proposition A Discretionary				Measure R	FAP Total	TSE	Base Restructuring	BSIP				MOSIP
	Local	Express	Dial-A-Ride ¹	Sub-total									
Total Vehicle Miles	2,064,232	867,421		2,931,654		2,931,654	92,689		11,750	259,055	3,295,148	312,749	3,607,897
Vehicle Service Miles	1,893,158	775,734		2,668,892		2,668,892	84,382		10,697	235,836	2,999,807	312,749	3,312,556
Total Vehicle Hours	144,169	28,997		173,166		173,166	5,475		694	15,302	194,637	15,342	209,979
Vehicle Service Hours	133,152	21,929		155,082		155,082	4,903		622	13,704	174,310	15,342	189,652
Unlinked Passengers	2,915,598	228,958		3,144,556		3,144,556	99,420		12,604	277,868	3,534,448	31,824	3,566,272
Linked Passengers				-		-					-		-
Passenger Revenue	1,698,315	2,542,104		4,240,418		4,240,418	134,068		16,996	374,703	4,766,186	77,859	4,844,045
Aux. Rev/Local Subs.				-		-					-		-
Op. Cost Less Depr.	14,933,686	2,826,990		17,760,676		17,760,676	561,534		71,187	1,569,417	19,962,814	1,401,679	21,364,493
Full Time Equiv Employees***	137	52		189		189	6		1	17	213	9	222
Active Vehicles	37	30		67		67	2		0.25	6	75	12	87
Peak Vehicles	32	23		55		55	2		0.23	5	62	11	73
DAR Seat Capacity --- See * below													
Base Fare	\$1.50	\$15.00										\$3.00	
Effective Date	03/01/10	01/01/10										2006	

Prepared by: RN

Table L - 5B
 TPM / TDA REPORT FORM
 FY 2016 ENDING JUNE 2016 --- Projected

Annual Totals	FAP Funded					Proposition C 40% Discretionary				Total MTA Funded	Other Code (DAR) **	System Total	
	TDA, STA & Proposition A Discretionary				Measure R ****	FAP Total	TSE	Base Restructuring	BSIP				MOSIP
	Local	Express	Dial-A-Ride **	Sub-total									
Total Vehicle Miles	2,203,165	728,479		2,931,644		2,931,644	92,689		11,750	259,054	3,295,137	368,102	3,663,239
Vehicle Service Miles	2,022,873	681,685		2,704,557		2,704,557	85,509		10,840	238,987	3,039,894	368,102	3,407,996
Total Vehicle Hours	152,458	19,303		171,761		171,761	5,431		688	15,178	193,058	17,023	210,081
Vehicle Service Hours	142,460	14,271		156,731		156,731	4,925		624	13,764	176,044	17,023	193,067
Unlinked Passengers	2,799,253	77,382		2,876,635		2,876,635	88,245		11,187	246,633	3,222,700	40,971	3,263,671
Linked Passengers				-		-					-		-
Passenger Revenue	2,359,535	2,327,263		4,686,799		4,686,799	148,181		18,785	414,148	5,267,913	88,841	5,356,754
Aux. Rev/Local Subs.				-		-					-		-
Op. Cost Less Depr.	15,763,504	1,885,548		17,649,052		17,649,052	546,062		69,226	1,526,176	19,790,516	1,756,469	21,546,985
Full Time Equiv Employees*	145	56		201		201	6		1	17	225	15	240
Active Vehicles	37	30		67		67	2		0.25	6	75	12	87
Peak Vehicles	32	23		55		55	2		0.21	5	62	11	73
DAR Seat Capacity***											-		
Base Fare	\$1.50	\$15.00										\$3.00	
Effective Date	03/01/10	01/01/10										2006	

Prepared by: RN

**Table L - 5C
TPM / TDA REPORT FORM
FY2017 ENDING JUNE 30, 2017 Planned**

Annual Totals	FAP Funded					Proposition C 40% Discretionary				Total MTA Funded	Other Code (DAR) **	System Total	
	TDA, STA & Proposition A Discretionary				Measure R ****	FAP Total	TSE	Base Restructuring	BSIP				MOSIP
	Local	Express	Dial-A-Ride **	Sub-total									
Total Vehicle Miles	2,291,952	735,764		3,027,716		3,027,716	93,616		11,868	261,644	3,394,844	371,783	3,766,627
Vehicle Service Miles	2,104,394	688,501		2,792,895		2,792,895	86,364		10,949	241,377	3,131,586	371,783	3,503,369
Total Vehicle Hours	158,602	19,496		178,098		178,098	5,485		695	15,329	199,608	17,193	216,801
Vehicle Service Hours	149,089	14,414		163,503		163,503	4,974		631	13,902	183,009	17,193	200,202
Unlinked Passengers	2,768,317	77,382		2,845,699		2,845,699	89,127		11,299	249,099	3,195,225	41,381	3,236,606
Linked Passengers				-		-					-		-
Passenger Revenue	2,383,131	2,350,536		4,733,667		4,733,667	149,663		18,973	418,289	5,320,592	89,729	5,410,322
Aux. Rev/Local Subs.				-		-	0		0	0	-		-
Op. Cost Less Depr.	16,289,124	1,923,448		18,212,572		18,212,572	551,523		69,918	1,541,437	20,375,451	1,774,034	22,149,484
Full Time Equiv Employees*	147	57		204		204	6		1	17	228	15	243
Active Vehicles	37	30		67		67	2		0.25	6	75	12	87
Peak Vehicles	32	23		55		55	2		0.21	5	62	11	73
DAR Seat Capacity***											-		
Base Fare	\$1.50	\$15.00										\$3.00	
Effective Date	03/01/10	01/01/10										2006	

Prepared by RN

TABLE L -6
FOLLOW UP ON RECOMMENDATIONS
FROM PERFORMANCE AUDITS COMPLETED DURING OR BEFORE
FISCAL YEAR 2016

RECOMMENDED ACTIONS	PROGRESS TO DATE
FY14 Triennial Review	
<i>Americans with Disabilities Act</i>	
Insufficient no-show policy	Access implemented a new policy change that addresses this finding on April 1, 2015.
Failure to provide origin to destination service	Access implemented a new policy regarding origin to destination on July 1, 2015.
<i>Procurement</i>	
No FTA clauses	From FY14 Triennial Review AVTA Final Report: "Subsequent to the site visit, AVTA provided sufficient to address all deficiencies in the Procurement are; therefore these deficiencies are closed."
No written protest procedures	
No verification that excluded parties are no participating	
Pre-award audit and/or post-delivery audit not performed	
Lacking required cost/price analysis	
Lacking independent cost estimate	
Responsibility determination deficiencies	

Prepared by: CK

Table L - 7
CAPITAL PROJECT SUMMARY

Audited - FY2015

Project Name	Funding Source Federal	State Local	Federal	Total Project Cost
Regional Partnership Project	5307	\$ 360	\$ 80,732	\$ 81,092
Furniture Fixtures & Equipment	5307	\$ 15,931	\$ 63,724	\$ 79,655
Bus & Facility Security Upgrade	5307	\$ 179	\$ 8,602	\$ 8,781
Bus Purchases and Refurbishment	5307	\$ 5,221	\$ 3,270,932	\$ 3,276,153
Major Shop Equipment	5307	\$ 83	\$ 1,907	\$ 1,990
Data and Communications	5307	\$ 3,436	\$ 114,125	\$ 117,561
Records Management System	5307	\$ 17,649	\$ 70,597.60	\$ 88,247
Planning Projects	5307	\$ 9,284	\$ 37,136.80	\$ 46,421

Planned - FY 2016

Project Name	Funding Source Federal	State Local	Federal	Total Project Cost
Bus Purchases and Refurbishment	5307	\$ 1,014,195	\$ 6,407,741	\$ 7,421,936
Support Vehicles	5307	\$ 31,800	\$ 560,200	\$ 592,000
Major Bus Components	5307	\$ -	\$ 150,000	\$ 150,000
Regional Partnership Projects	5307	\$ -	\$ 560,000	\$ 560,000
Digital Signage	5307	\$ -	\$ 75,000	\$ 75,000
Major Facility Equipment	5307	\$ 228,630	\$ 197,021	\$ 425,651
Data and Communications	5307	\$ -	\$ 50,000	\$ 50,000

ESTIMATED - FY 2017

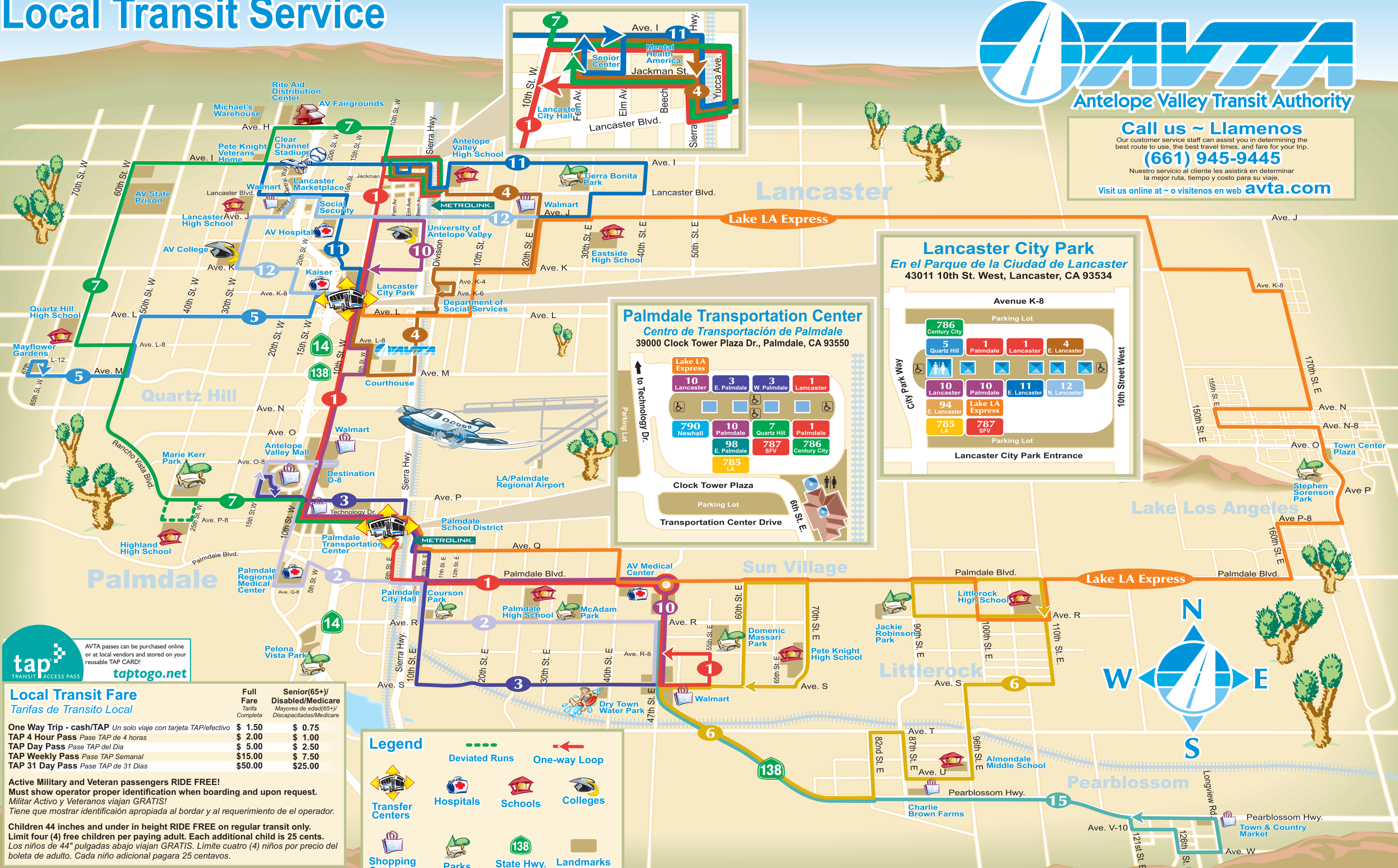
Project Name	Funding Source Federal	State Local	Federal	Total Project Cost
Electric Bus Facility Infrastructure	5307			
Bus Purchases and Refurbishment	5307	\$ 22,144,504	\$ 3,907,854	\$ 26,052,358
Major Bus Components	5307	\$ -	\$ 82,154	\$ 82,154
Support Vehicles	5307	\$ -	\$ 195,000	\$ 195,000
Regional Partnership Projects	5307	\$ 440,000	\$ 685,000	\$ 1,125,000
Digital Signage		\$ -	\$ 100,000	\$ 100,000
Facility & Security Upgrade	5307	\$ 374,800	\$ 100,000	\$ 474,800
Data and Communications	5307	\$ -	\$ 155,000	\$ 155,000

Prepared by: JV-F

Local Transit Service



Call us ~ Llamos
 Our customer service staff can assist you in determining the best route to use, the best travel times, and fare for your trip.
(661) 945-9445
 Nuestro servicio al cliente les asistirá en determinar la mejor ruta, tiempo y costo para su viaje.
 Visit us online at ~ o visitenos en web avta.com



Palmdale Transportation Center

Centro de Transportación de Palmdale
 39000 Clock Tower Plaza Dr., Palmdale, CA 93550

Lake LA Express	10 Lancaster	3 E. Palmdale	3 W. Palmdale	1 Lancaster
790 Newhall	10 Palmdale	7 Quartz Hill	1 Palmdale	
98 E. Palmdale	787 SFV	786 Century City		
785 LA				

Clock Tower Plaza
 Transportation Center Drive

Lancaster City Park

En el Parque de la Ciudad de Lancaster
 43011 10th St. West, Lancaster, CA 93534

786 Century City	5 Quartz Hill	1 Palmdale	1 Lancaster	4 E. Lancaster
10 Lancaster	10 Palmdale	11 E. Lancaster	12 N. Lancaster	
94 E. Lancaster	Lake LA Express			
785 LA	787 SFV			

Lancaster City Park Entrance

tap TRANSIT ACCESS PASS
 AVTA passes can be purchased online or at local vendors and stored on your reusable TAP CARD!
taptogo.net

Local Transit Fare

Tarifas de Transito Local

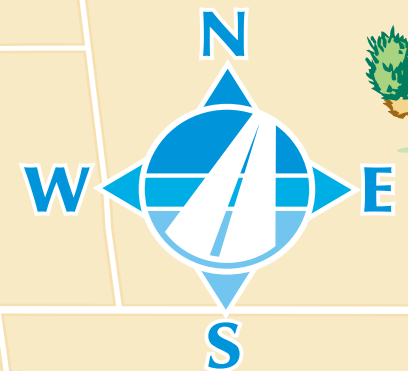
	Full Fare	Senior(65+) Disabled/Medicare
	Tarifa Completa	Mayores de edad(65+) Discapacitados/Medicare
One Way Trip - cash/TAP	\$ 1.50	\$ 0.75
TAP 4 Hour Pass	\$ 2.00	\$ 1.00
TAP Day Pass	\$ 5.00	\$ 2.50
TAP Weekly Pass	\$15.00	\$ 7.50
TAP 31 Day Pass	\$50.00	\$25.00

Active Military and Veteran passengers RIDE FREE!
 Must show operator proper identification when boarding and upon request.
 Militar Activo y Veteranos viajan GRATIS!
 Tiene que mostrar identificación apropiada al bordar y al requerimiento de el operador.

Children 44 inches and under in height RIDE FREE on regular transit only.
 Limit four (4) free children per paying adult. Each additional child is 25 cents.
 Los niños de 44" pulgadas abajo viajan GRATIS. Limite cuatro (4) niños por precio del boleto de adulto. Cada niño adicional pagara 25 centavos.

Legend

- Deviated Runs
- One-way Loop
- Transfer Centers
- Hospitals
- Schools
- Colleges
- Shopping Centers
- Parks
- State Hwy. 138
- Landmarks



This map is not scale. Schedules and Maps are subject to change. Supplemental routes will be added as needed. Please check our website frequently for updates at www.avta.com.

BACK OF MAP
(NOT PRINTED)

INSIDE BACK COVER
(NOT PRINTED)



2017

Antelope Valley Transit Authority

42210 6th Street West | Lancaster, California 93534 | avta.com