

BUDGET TRANSMITTAL



Fiscal Year 2020/2021

ANAHEIM TRANSPORTATION NETWORK



June 24, 2020,

Chairman Sanford and June 2020 Members of the
Anaheim Transportation Network Board of Directors:

BOARD OF DIRECTORS:

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Fred Brown
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Director

Vacant
Director

Diana Kotler
Executive Director

Consistent with the Anaheim Transportation Network's vision, mission, and values, and in accordance with the ATN Board of Directors approved strategic and legislative initiatives, I present to you the Fiscal Year 2020-2021 Operating Budget and Capital Improvement Program (CIP) for ATN.

Taking into consideration current conditions and impacts of COVID-19, the proposed budget is balanced at \$13.5 Million, a 22 percent reduction from the previous fiscal year. Nevertheless, the presented budget commits to providing essential programs and services to deliver on our promises to the residents, businesses, and destinations of The Anaheim Resort®, Platinum Triangle™, Center City, as well as surrounding communities and destinations served by ATN.

The budget continues the implementation of **#ElectirfyAnaheim** initiatives including Anaheim Resort Transportation (ART) public transit service, Free Rides Around the Neighborhood (FRAN) microtransit service, as well as Mobility as a Service (MaaS) efforts.

ATN will continue to keep its **eye on the future** and be an active participant in the Mayor's Transportation Task Force. Future developments in the City of Anaheim will be looking at ATN to meet their mobility needs.

Even though FY 2002-2021 represents reduced budgetary expenditures and staffing levels, ATN's budget demonstrates a continued commitment to providing an effective, efficient, and innovative multi-modal transportation offering in order to enhance mobility options for everyone working, visiting, or living in our community.

I look forward to another productive year with ATN and your leadership continuing to move our organization forward.

Sincerely,

Diana Kotler
Executive Director



Anaheim Transportation Network (ATN) is governed by a 15-member Board of Directors consisting of representatives of the local community. ATN is managed by an Executive Director, who acts in accordance with the directives, goals and policies established by the Board of Directors.

2020 ATN BOARD OF DIRECTORS



Paul Sanford, Chairman



Fred Brown, Vice Chairman



Merit Tully, Treasurer



Carrie Nocella, Secretary



Phil Aldax, Director



Bill Cleaver, Director



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Charles Harris, Director



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Brian Sanders, Director



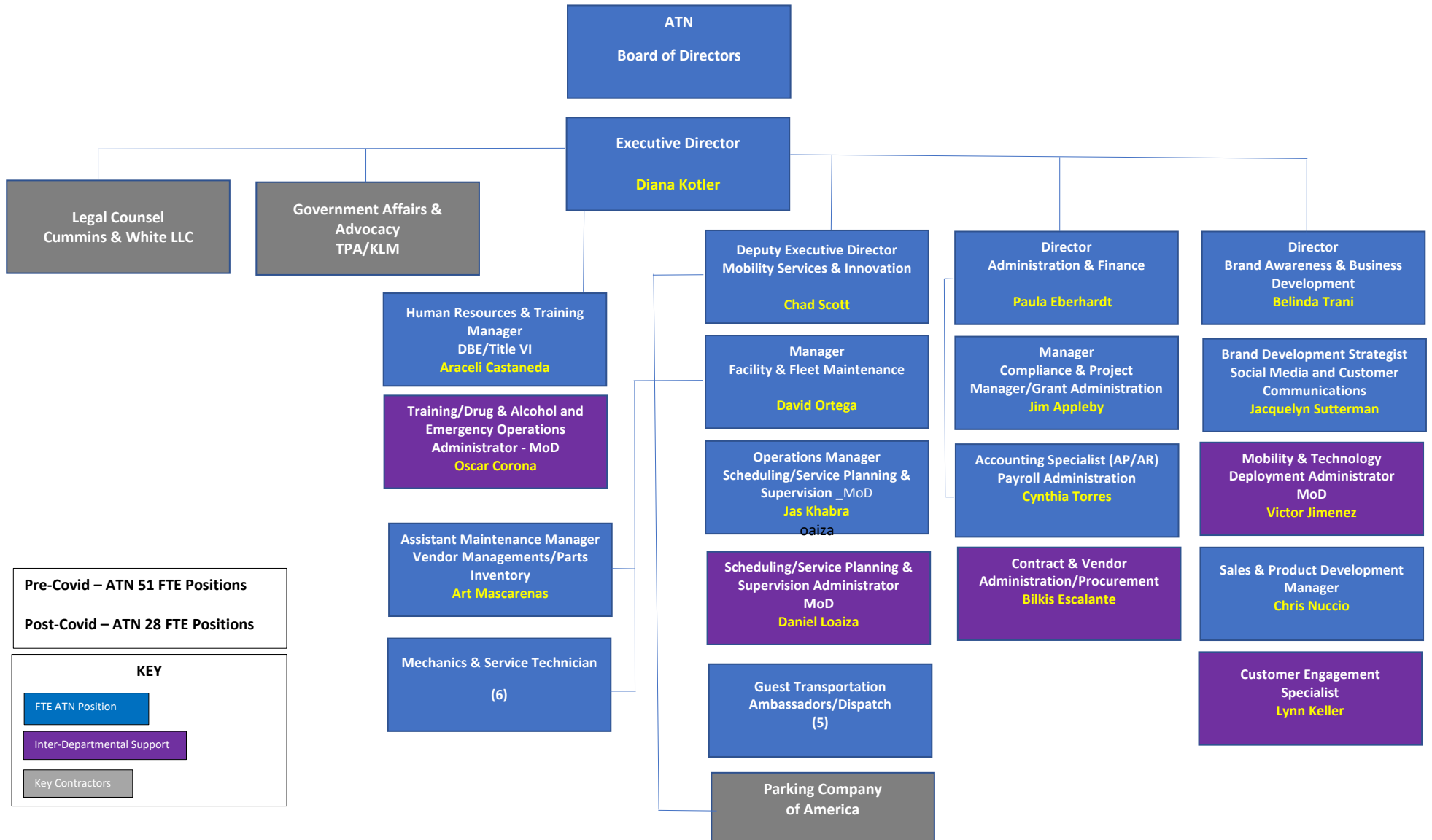
Vacant, Director



Diana Kotler, Executive Director



2020 ATN ORGANIZATIONAL CHART



Pre-Covid – ATN 51 FTE Positions
 Post-Covid – ATN 28 FTE Positions

KEY

- FTE ATN Position
- Inter-Departmental Support
- Key Contractors



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2020 ATN ORGANIZATIONAL PROFILE

The Anaheim Transportation Network (ATN) was created in 1995 to provide various public transportation services in the City of Anaheim. ATN was given a role in implementing certain mitigation monitoring measures called out in the Anaheim, Disneyland® Resort, Hotel Circle and Platinum Triangle™ Resort Specific plans, which are designed to mitigate traffic congestion and air quality impacts of current and future developments. ATN responded to these obligations by purchasing and operating a fleet of alternative fuel vehicles to serve the transportation needs of the City’s commercial, recreational, employment and residential development areas.

ATN, through the foundation created by the City of Anaheim’s environmental mitigation process and in partnership with entertainment, retail and hospitality industries, created an institutional structure to finance and operate local public transportation services, to provide customers with convenient access to the destinations and venues located in Anaheim and nearby communities. This transit program, known as Anaheim Resort Transportation (ART), has evolved over 18 plus years to meet the growing demand on the transportation network through the growth of the tourism and hospitality industries, development of new residential communities and growth of employment opportunities.



ART service provides public transportation services to-and-from local theme parks, sports venues, shopping destinations, performing arts centers, hotels, as well as throughout residential communities and employment centers. Operating through a non-exclusive franchise agreement with the City of Anaheim. ART operates fixed route services in-and-around The Anaheim® Resort, Platinum Triangle™, Canyon, Center City, including destinations outside of Anaheim, such as South Coast Plaza in Costa Mesa and Knott’s Berry Farm in Buena Park. Over 9.7 million passengers use ART annually via the organization’s fleet of 82 alternative fuel vehicles. ATN first in the County MicroTransit service began in 2019 for CtrCity Anaheim using ten Polaris GEM/FRAN vehicles.

Knows as FRAN, Free Rides Around the Neighborhood, this service delivery

method will continue to grow throughout Anaheim neighborhoods in 2020 and beyond.

In 2006, the Federal Transit Administration (FTA) issued to ATN a National Transit Database Identification Number, thus making the organization eligible to receive federal funding. ATN eventually took advantage of this designation and in 2010 FTA awarded the organization a \$3.8 million grant toward the purchase of 22 new Compressed Natural Gas (CNG) buses. By 2017, the ART service had doubled in size and ridership since its inception in 2002; and 2019 ATN received an



additional \$2.0 million from FTA’s LowNo Program to begin full fleet electrification efforts, #ElectrifyAnaheim. In July 2019, Anaheim City Council approved land sale to ATN to proceed with construction of new administrative and maintenance facility to support #ElectrifyAnaheim efforts with ability to provide charging capabilities for the entire fleet of 80+ buses.

In addition to the environmental mitigation measures and requirement, ATN operates under the guidance standards of the City of Anaheim franchise requirements, as called out in the City’s Charter. On May 21, 2019, Anaheim City Council approved Ordinance No. 6464 signifying importance of public transportation services for the residents, visitors, and businesses of Anaheim.

ATN owns an active fleet of 82 buses and 10 Polaris GEM/FRAN vehicles. Of note is the electrification of the ATN fleet of fixed-route transit buses in advance of the California Air Resources Board’s (CARB) proposed rule to achieve full zero emission fleets by 2030. Forty-six all electric buses will be in operation by 2020.



ATN’s strategic vision provides a local transportation needs and was Directors in November 2019. ATN’s methodology is driven by our core

STRATEGIC PRIORITIES

five-year outlook to address adopted by the Board of service delivery values.

Cognizant of the fact that ATN’s funding structure is limited to locally generated assessment fees, fare revenues, and capital grants, ATN closely aligns its planning and service provision with needs of the constituency it serves.

In response to the advent of next- generation mobility options and current and emerging technologies, ATN has

The Anaheim Transportation Network’s mission is to enhance transportation options by delivering reliable and efficient transportation solutions. Our commitment to customers consists of integrity, customer service, can-do spirit, communication, and partnerships.

ATN provides a menu of transportation services for the public in the Orange County region. These programs include Anaheim Resort Transportation (ART), a network of 23 fixed and on-demand routes that serve popular destinations within The Anaheim Resort® District, Platinum Triangle, Center City and other nearby areas and MicroTransit on-demand e-hail services such as Free Rides Around the Neighborhood, or FRAN.

been proactive in its response to the dynamic nature of the transit and mobility landscape. ATN is keenly aware of the need to be the mobility leader and the need to remain relevant to existing passengers and become relevant to a new generation of passengers by advancing next-generation mobility technologies including core elements of a *Mobility as a Service* (MaaS) platform.

Future organizational efforts will continue to look for delivery of

mobility solutions, on-demand e-hail services, with convenient payment options. Planning and visionary discussions also include close coordination with the Mayor’s Transportation Task Force and developments in The Platinum™ Triangle to facilitate east-west transportation services along Katella Avenue Corridor.

INTERNAL PRIORITIES	EXTERNAL PRIORITIES
<p>CULTIVATE ORGANIZATIONAL STRUCTURE</p> <ul style="list-style-type: none"> ✓ Optimal staffing solutions and organizational structure ✓ Maintain cooperative working relationships with contractor and labor <p>ENHANCE CULTURE OF SAFETY AND SECURITY</p> <ul style="list-style-type: none"> ✓ Create a customer service centric approach build culture of safety ✓ Revisit Emergency Operations and Security Measures <p>BUILD MULTI-MODAL SERVICE PROVISION METHODOLOGY</p> <ul style="list-style-type: none"> ✓ Strategically expand fixed route operations ✓ Explore deviated fixed route options ✓ Enhance MicroTransit offerings 	<p>DELIVER ATN CAPITAL PROJECTS</p> <ul style="list-style-type: none"> ✓ Continue efforts to pursue full fleet electrification ✓ Complete facility build-out and relocation <p>PURSUE ALL APPLICABLE GRANT OPPORTUNITIES</p> <ul style="list-style-type: none"> ✓ Advance Priorities Identified through Mayor’s Transportation Task Force ✓ Seek appropriate capital funding <p>ADVANCE LEGISLATIVE AGENDA</p> <ul style="list-style-type: none"> ✓ Advance policies in support of sustainable funding and viable long-term financial future <div style="text-align: center; margin-top: 20px;"> <p>the ART of connecting the dots</p> </div>



In December 2019, the ATN Board of Directors, unanimously, approved its 2020/21 Local, State and Federal Legislative Platform, as a framework to guide ATN's policy, administrative, and regulatory activities.

LOCAL PRIORITIES

Anaheim Mayor Harry Sidhu has formed a Transportation Task Force to develop a comprehensive mobility vision for the City of Anaheim. Combined with the on-going Mobility Study in The Anaheim Resort®, new developments in The Platinum Triangle™ and residential expansion in Center City Anaheim, the availability of dynamic, multimodal transportation services are central to meeting our passengers transit needs and the economic development and vitality of our area. ATN plays a key role in identifying and defining legislative priorities and funding options to secure sustainable and long-term operations for current and future transportation initiatives in Anaheim.

FEDERAL PRIORITIES

Several significant policy issues are expected in the upcoming congressional legislative session, such as enactment of the surface transportation reauthorization legislation and funding of future capital transportation projects.

ATN's Federal Legislative Platform is focused on securing the largest possible share of federal transportation funds through equitable formula allocation of funds due to ATN through the regulatory processes, such as of direct recipient and grant funding eligibility.

Fixing America's Surface Transportation (FAST) Act provides nation's funding for all transportation modes. The FAST Act expires on September 30, 2020. ATN shall focus its advocacy efforts to strengthen eligibility of small transportation agencies to allow for a more equitable distribution of federal funds.

ORGANIZATIONAL LEGISLATIVE PRIORITIES



STATE PRIORITIES

Since mid-1970, the Transportation Development Act (TDA) has long been a cornerstone of State transit funding. This law allows quarter-cent sales tax financing for a wide variety of transportation projects, including transit operations and bus replacement. Governor Newsom directed Caltrans and California Transit Association to conduct a thorough review of TDA and propose legislative changes to bring TDA in to the 21st Century. Changes to TDA will forthcoming providing ATN with a window of opportunity for eligibility to receive TDA and other, related transportation funds.

In 2017, Governor Brown signed into law Senate Bill 1 (SB1 – Beall) making significant investments in the State's transportation system. Even though ATN was successful in obtaining SB1 funds under Transit Intercity Rail Capital Program (TIRCP), with codified changes to the Anaheim Municipal Code, through the its Franchise Agreement, ATN should seek formula and Low Carbon Transit Operation Program (LCTOPs) funding edibility under SB1.

The ATN's State legislative priorities to concentrate on efforts to seek and advance policy changes and funding in support of these services ATN's share of transportation, transit and mobility funding based on ridership and standard transit formula funding and to support regulatory policy and guidance to continue electrification efforts and growth of zero emission technologies.



ATN PROFILE

In response to the advent of current events, ATN should be strategically focused on next generation of mobility options and emerging technologies in order to be proactive in response to the dynamic nature of transit and mobility landscape. ATN is aware of the need to remain relevant to existing passengers and become relevant to a new generation of passengers by advancing next-generation mobility technologies including core elements of a *Mobility as a Service* (MaaS) platform.

As ATN enters uncertainties of next fiscal year, our efforts and dedication of financial resources, in addition to core service provision will concentrate on:

- Safety needs of our guests and passengers with assurance of “safety in use of transit”
- Strengthening of transportation/mobility options
- Ability to provide an enhanced guest experience
- Exceed expectations of a changing market including next-generation mobility technologies and mobility solutions
- Ability to identify a void in service and monetize these opportunities in support of revenue diversification



FINANCIAL OUTLOOK

ATN Fiscal Year 2020/21 budget projections are based on compilation of the outlook projections prepared by Visit California, CalTravel *Tourism Economics*² and Destinations International. ATN used these materials to extrapolate the effects of Covid-19 on the travel industry, and therefore our services for the employees and visitors on the destinations we serve. Based on these industry projections a decline of 45% of revenue is anticipated this fiscal year.

Cognizant of the economic outlook, ATN Fiscal Year 2020/21 Operating Budget reflects these economic realities and builds its financial projections for the remainder of 2020 based on assumption that occupancies, as well as related levels of employment, in The Anaheim Resort® and surrounding service areas, will gradually increase to a 50% level by December 2020. Measured increase to 70% occupancy level should occur by the end of fiscal year 2020/21.

Reduction in attendance and employment are reflected in reduced budget for Toy Story Route, Core ART routes and reduced operating projections for FRAN. Progress toward deployment of touchless mobile ticketing, trip planning and voucher solutions will ensure continued support of changing demographics.

Personnel re-structuring and final re-organization is included in the proposed budget and new Organizational Chart is provided on Page 2.

A bit of good news - ATN’s Capital Improvement Program (CIP) will continue to move forward, as planned, with some delays in the receipt of 60-foot, articulated, bus fleet due to Covid-19 closure of the manufacturing plant in Lancaster, CA through mid-June 2020.

Facility construction and development of one-of-a-kind energy storage, solar and maintenance program continues on schedule and ATN included facility relocation cost into the budget to accommodate move of all facilities by late Spring 2021.



SOURCES OF FUNDS

In an effort to continue fiscal sustainability, ATN is presenting a balanced budget for FY 2020/21. Total Sources of Funds are a combination of \$14.3 Million in revenue (compared to \$16.5 Million in revenue in the previous fiscal year). The following highlights each funding source.

Fares

ATN fares from transit operations, traditionally, represented 65-70% of total revenue. ATN anticipates that return to this farebox recovery ratio will return by Spring 2021. Budget anticipates a total of \$2.96 Million in fare revenue for FY 2020/21, compared to \$5.31 Million in FY 2019/20.

Local Sources

ATN plans to receive \$2.0 Million from local sources, which are comprised of assessment payments from hotel, retail, and theme parks.

Advertising

For Fiscal Year 2020/21 assumes \$250,000 in advertising revenue. Taking into consideration significant financial impacts on the traditional advertising demographic, ATN made changes to the administration of the advertising program in order to retain a greater percentage of advertising revenue to the Agency

Public Sources

Public sources of funds constitute Anaheim Tourism Improvement District, rail feeder funding, cooperative fare agreements, alternative fuel credits and other operating grants. ATN anticipates \$449,000 in revenue from this source.

In addition to the above-mentioned public sources, ATN receives funding from Orange County Transportation Authority (OCTA) from an annual federal apportionment of 5307 and 5339 funds. ATN plans to receive \$953,000 in FY 2020/21 funds.

In addition, ATN is working with the City of Anaheim and Anaheim Regional Center to provide My Day Counts and Senior Mobility Services. Total revenues for these community-based programs are projected at \$1.45 Million.

COVID-19 RELIEF FUNDS -- FTA CARES Act

As a sub-recipient to OCTA, ATN is working with OCTA to receive between \$2.1 Million to \$2.9 Million in 5307 transit relief funds. These funds will assist ATN with meeting FY 2019/20 debt obligations, revenue shortfalls resulted through a rescind of monthly assessment payment, lack of fare generation and provision of minimal level of transportation services.

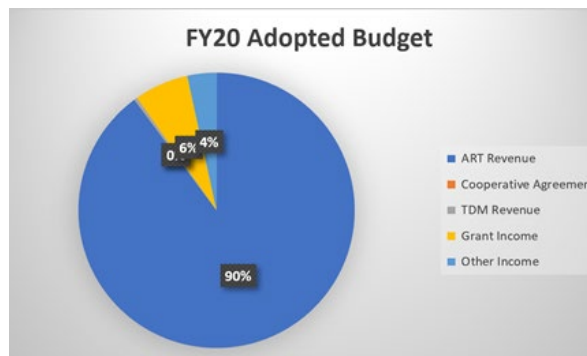
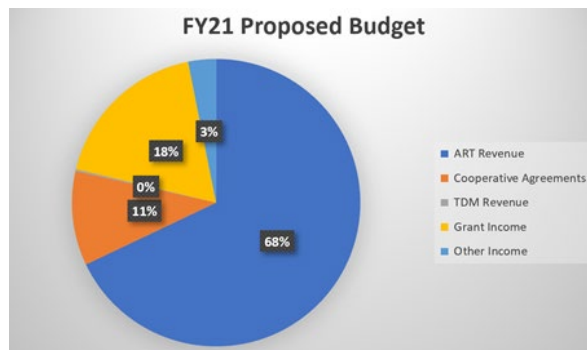
Small Business Administration Paycheck Protection Program & Economic Disaster Relief Funds

ATN received \$667,000 in SBA relief loans and funding. These funds were used to maintain the required level of payroll and related personnel

expenditures from March through the end of Fiscal Year 2019/20.

FEMA

ATN application for FEMA reimbursements was accepted for reimbursements of costs associated with Covid-19 cleaning supplies and services for vulnerable populations. Amount of reimbursement is still unknown.





Business Interruption Insurance

ATN application for Business Interruption Insurance submitted and accepted. Up to \$10 Million will be available through the Fund for all Fund members and will be pro-rated in accordance with need and total funds available through the Fund. Amount of reimbursement is still unknown.

In aggregate, moving into Fiscal Year 2020/21, ATN sources of revenue are more reliant on public assistance from ATID and CARES Act. However, as the economy recovers, ATN should be able to return to the previous revenue generation models and work to re-build its fare box recovery and advertising revenues to pre Covid-19 levels.

Sources of Revenue

ATN Operating Budget Fiscal Year 2020/2021		FY21 Budget	FY20 Est. Year End	FY20 Original Budget	% change FY 20 to FY 21
Income					
4000	ART Revenue				
4010	Participation Assessment Fees	2,041,263	1,876,070	2,698,550	
4011	Assessment - Route 20 Hours	4,260,313	4,696,887	7,641,285	
4020	Retail Assessment Fees_AR & PT	158,324	129,678	172,904	
4020	Retail Assessment Fees_Ctr City	75,000			
4040	ART Ticket Sales	2,967,472	3,179,418	5,318,796	
4070	Advertising	250,000	355,628	695,423	
Total 4000 · ART Revenue		9,752,373	10,237,681	16,526,957	-40.99%
4110	Cooperative Agreements				
4111	Metrolink Rte 15 Reimbursement	2,100	2,870	3,375	
4112	Amtrak Rail Feeder Reimbursement	5,400	5,998		
4113	My Day Counts	1,069,751			
4114	Senior Mobility Service	444,670			
Total 4110 · Cooperative Agreements		1,521,921	8,868	3,375	
4300	Grant Income				
4310	T.D.M Revenue				
4311	Anaheim Canyon Service (Proj S)	21,000	24,766	34,675	
4313	AnaheimCanyon Service Metrolink	10,800	21,782	31,875	
4319	Costa Mesa Svc (Project V)	-	5,000		
Total 4310 · TDM Revenue		31,800	51,548	66,550	-52.22%
4320	Grant Income				
4321	5339 Apportionment	131,229	131,229	142,046	
4322	5307 Apportionment	821,016	821,016	837,847	
	CARES Act Apportionment	800,000	1,500,000		
	SBA - PPP & EIDC		668,000		
4325	TIRCP		400,000	190,000	
4324	ATID Local Grants				
4324.1	ATID Local Source Funds	850,000	-		
4324.2	MSRC	-	-		
Total 4300 · Grant Income		2,602,245	3,520,245	1,169,893	122.43%
4400	Membership Revenues	58,000	57,081	68,250	-15.02%
4700	Other Income				
4701	OCTA & Metrolink Tickets	2,850	3,176	4,250	-32.94%
4710	Interest Income	6,000	9,873	3,600	66.67%
4720	Miscellaneous Income	-	483	3,000	
Total 4700 · Alternative Fuel Tax Credits		191,100	150,751	274,395	-30.36%
4700	Total Other Income	449,050	372,114	627,891	-28.48%
Total Income		14,357,389	14,190,456	18,394,666	-21.95%

COMMUNITY RELIEF

Tiered Assessment Re-Introduction

The ATN's budget is also built on the recommendation on a modified assessment structure:

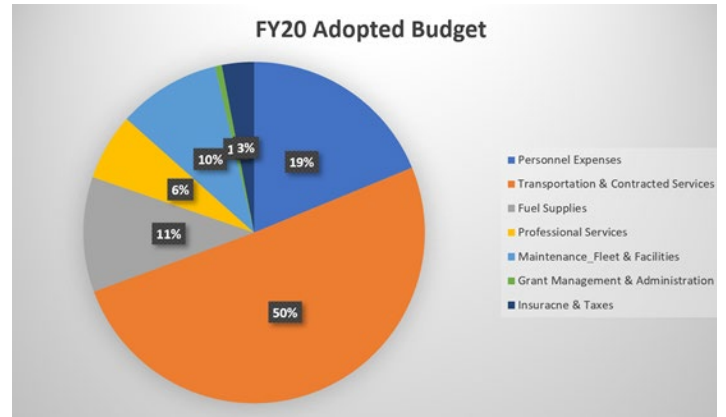
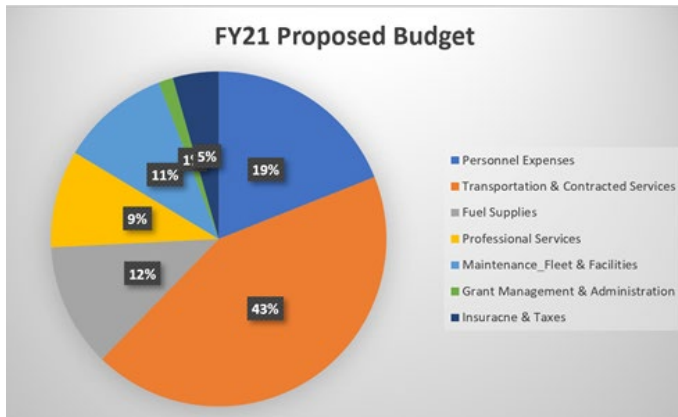
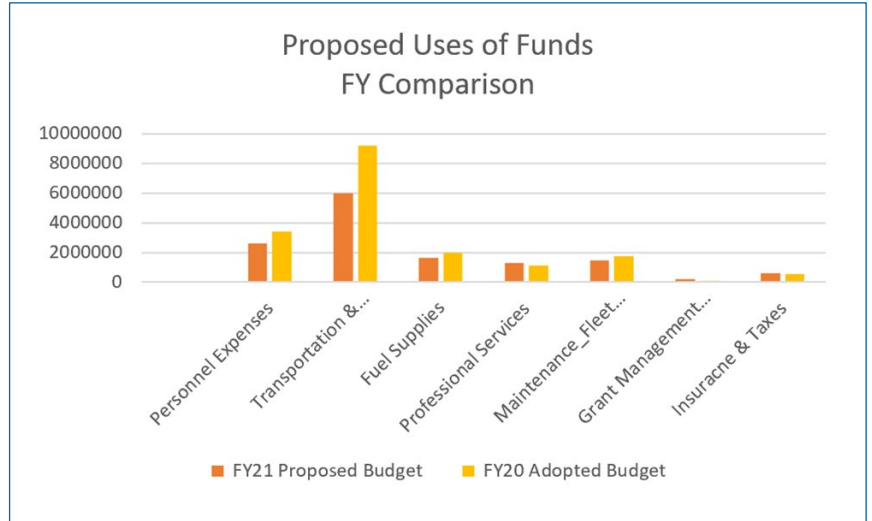
- No assessments revenue July 2020
- 25% Assessment for August 2020
- 50% Assessment for September 2020
- 75% Assessment for October 2020
- 90% Assessment for November 2020
- 100% Assessment for December 2020



ATN is proposing a balanced budget. ATN's is able to balance Fiscal Year 2020/21 budget based on availability of public relief funds from the federal relief bill, CARES Act, and Anaheim Tourism Improvement District.

Preparing for FY 2020/21 budget, ATN proposing:

1. Tiered re-introduction of service equal with demand for service
2. Touchless ticketing and mobile ticketing options
3. Re-building of advertising program
4. Continued efforts to integrate Mobility as a Services functions
5. Strict safety protocols
6. Robust marketing & public outreach program in concert with Visit Anaheim
7. Allocation of addition ATN staff to Visit Anaheim
8. Continued work with City of Anaheim staff to further Mayor's Transportation Task Force Efforts
9. State and Federal legislative efforts to diversify ATN menu of services and funding sources
10. Continue organizational flexibility proportionate to levels of service
11. Expansion of MicroTransit offerings





ATN FY 2020/21 BUDGET PROGRAM

USES OF FUNDS

	FY21 Proposed Budget	FY20 Est. Year End	FY20 Adopted Budget	% change FY 20 to FY 21
Expense				
6010 - Salaries and Wages	2,186,557	2,439,916	2,837,585	
6020 - 403B Employee Retirement	12,000	20,614	20,451	
6030 - Medical Insurance	244,393	259,974	291,375	
6040 - Payroll Taxes	174,925	206,369	254,195	
Total 6000 - Personnel Expenses	2,617,874	2,926,874	3,403,605	-23.09%
7000 - Transportation & Contracted Services				
7001 - Route 20	1,980,000	2,957,515	4,963,024	
7002 - Core ART	2,800,000	3,171,722	3,791,681	
7003 - Route 17 - ACM	72,000	65,956	89,765	
8314.1 TIRCP-Microtransit	250,000	237,606		
7006 - Group Sales	75,000	15,676	162,754	
7007 - Contract Expense - LDs	(120,000)	200,720	(120,000)	
7008 - Reimbursable Bus Accidents	(100,000)	(35,697)	(120,000)	
7015 - FRAN CtrCity	279,336	193,168	272,806	
7016 - My Day Counts Demand Responsive Service	578,326			
7017 - Senior Service Demand Responsive Service	285,867			
Total 7000 - Transportation & Contracted Services	5,970,530	6,368,339	9,160,030	-34.82%
7240 - Fuel Supplies				
7241 - Electrical	99,109	46,526	63,601	
7243 - LPG	47,000	69,960	81,103	
7244 - LNG - ART	550,000	631,093	1,044,428	
7247 - Unleaded Gasoline	350,417	100	100	
7248 - CNG	232,000	242,782	326,688	
7249 - Natural Gas Tank Capital Lease	275,000	303,953	367,399	
Total 7240 - Fuel Supplies	1,647,147	1,377,233	1,975,290	-16.61%
7300 - Website Develop/Maint Exp	24,000	38,220	30,000	
7311 - Signage	5,000	202	15,543	
7313 - General Marketing	82,000	84,107	81,689	
7314 - Bus Wraps - Advertising	25,000	12,845	132,632	
7316 - Missions and Trips - Fees & Reg	13,000	3,800	7,168	
7317 - Wrap Removal & Repaint-Advertis	20,000	11,496		
7671 - Social Media Campaign	50,000	73,300	2,946	
7673 - Still Photos & Video Production	10,000	7,602		
7318 - Fare Incentives & 3rd Party Propomtions	35,000	14,627	13,478	
7310 - Marketing - Other	30,000	250	75	
7310 - Marketing	423,056	373,716	428,545	
7610 - Legal and Government Affairs	413,118	442,488	507,450	
7620 - Accounting, Audit & Tax	26,575	21,575	38,900	
7630 - Technology	338,710	202,595	101,589	
7640 - Grant Writing	102,000	113,882	28,513	
Total 7600 - Professional Services	1,299,084	1,206,918	1,142,648	13.69%
7700 - Auto Expense-Gas/Mileage/Parking	12,000	6,365	12,000	
7800 - Repairs and Maint-Facilities	17,000	46,771	60,000	
7801 - Repairs - Bus Accidents	100,000	49,514	132,000	
7810 - Mobile Ticketing Service Fees	50,000	102	12,000	
7820 - Bus Maintenance -Contracted	119,000	112,427	144,000	
7830 - Fleet Maintenance - In-house	659,286	576,230	807,000	
7840 - Lubricants	21,000	17,422	60,000	
7850 - Batteries	22,500	12,330	19,200	
7880 - Facility Rental	77,266	67,413	91,200	
7890 - Vehicle Leases	16,193	20,490	18,300	
7900 - Equip/Furniture/Software Exp	120,564	131,856	123,000	
8200 - Telecommunications	94,000	132,044	106,800	
8100 - Facilities Maintenance	3,000	1,504	3,000	
81300 - Utilities - Building	86,405	89,232	99,889	
Total Maintenance -Fleet & Facilities	1,458,214	1,335,590	1,763,389	-17.31%
8002 - Prof Development & Training	2,822	2,822	422	
8003 - Conferences and Assn Events	13,450	35,108	31,958	
Total WorkForce Development	16,272	37,930	32,381	-49.75%
8314.5 TIRCP-Match	30,000			
8311 - Local Formula Obligation (Paratransit)	144,000	82,102	114,591	
8310 - Grant Expense - Other	18,600	18,600		
8310 - Grant Management & Administration	192,600	100,702	114,591	68.08%
8401 - Other	-	2,001	3,000	
8402 - Cash Management (Dunbar)	2,592	1,934	3,000	
8403 - Drug and Alcohol Program	4,200	5,086	4,800	
8400 - Miscellaneous Expense	6,792	9,021	10,800	-37.11%
8500 - Finance charges	337,223	388,136	297,000	
8600 - Insurance	266,770	290,369	254,240	
8700 - California Income Taxes	6,000	6,000		
8500 - Total Insurance & Taxes	609,993	684,505	551,240	10.66%
Total Expense	13,818,505	14,047,112	18,153,975	-31.37%
Excess Revenue/Working Capital	538,884	143,344	240,691	

DIRECT OPERATING COSTS	
Contracted Services	5,970,530
Fleet Maintenance_Direct Costs	1,458,214
Fleet Maintenance_Staff	680,410
Fuel & Other Supplies	1,647,147
Road Supervision	633,108
TOTAL DIRECT COSTS	10,389,409
% of Total Budget	75.18%
INDIRECT OPERATING COSTS	
General Administration	570,084
Marketing & Communications	526,768
Professional Services	876,028
Technology Deployment & Maintenance	444,000
Insurance & Taxes & Finance Charges	609,993
TOTAL INDIRECT COSTS	3,967,980
% of Total Budget	28.71%
Working Capital	538,884
% of Total Budget	3.90%
TOTAL FY 2020/21 OPERATING BUDGET	13,818,505

FISCAL YEAR 2021 OPERATING BUDGET HIGHLIGHTS

- ✓ Personnel budget at 75% to comply with SBA Loan forgiveness requirements
- ✓ Tiered return to operations with included 3% contractual increase in the billing rate
- ✓ Addition of Unleaded fuel for community-based program
- ✓ Robust Marketing & Communications Program to re-build consumer confidence
- ✓ Inclusion of touchless technology solutions
- ✓ No contribution to Reserve Fund this Fiscal Year
- ✓ Focused efforts to return to pre_Covid operating structure by Fiscal Year 2022



CAPITAL IMPROVEMENT PROGRAM - AMENDMENT

On June 6, 2018, ATN adopted its first Capital Improvement Program (CIP) which represents ATN's short-range plan and identifies capital projects and large equipment purchases. The CIP also provides a planning schedule and identifies options for financing the plan. This document represented a five-year planning process spanning from Fiscal Year 2018/2019 through 2022/2023.

Every fiscal year, ATN is presented with the opportunity to update its CIP plan as part of its ongoing budgetary review and approval process. The proposed CIP program is for \$63.4 Million and includes identified funding to:

1. Complete electrification of 46 ATN buses,
2. Complete facility construction and relocation
3. Identified finding for land purchase
4. Execute Power Purchase Agreement (PPA) Strategy

The ATN's CIP program identified a need to raise additional \$30.475M funding to complete current **ElectrifyAnaheim** initiatives, Mobility as a Service, MicroTransit as well as post-Covid re-building activities.

ATN will actively pursue grant funding opportunities to fill this shortfall. Should ATN receive requested grant funds, no further actions will be required of this Board to amend ATN's CIP program. Separate action will be necessary to accept awarded funds and to enter into a funding agreement.

Capital Improvement Program Initiatives

COMPLETED PROJECT								
MICROTRANSIT								
Electric Cars (Polaris Vehicles -10)	250,000	160,000						250,000
Street Signage	25,000	25,000						25,000
OnDemand E-Hail Mobile Application	49,000	13,000						63,000
Charging Stations (CtrCity)	77,000		77,000					77,000
Marketing/Social Media and PR	120,000	90,000	68,000					158,000
Project Management (5 years staff time)	377,000		377,000					377,000
InfoTainment System	40,000	40,000						40,000
TOTAL MICROTRANSIT	\$ 938,000	\$ 328,000	\$ 522,000	\$ -	\$ -	\$ -		\$ 990,000
Two 30' ZEV Buses								
2-BYD Buses	909,180			260,000	500,000			952,000
Sales Tax @ 1.5%	13,638	-						-
Inspection Services								-
TOTAL 30' ZEV BUSES	\$ 922,818	\$ -	\$ -	\$ 260,000	\$ 500,000	\$ -		\$ 952,000
CONTINUING PROJECT								
	Proposed Budget	TIRCP Grant	Local Match Match/Equity	HVIP Credit Vouchers	ATID	Power Purchase Agreement	Low Carbon Fuel Credits (LCFS)	Total Available Funds/Budget
Forty ZEV Buses								-
10-30' BYD Buses	4,545,900	2,443,150		1,200,000	625,000			5,573,150
20-40' BYD Buses	14,820,000	10,314,500		3,000,000	1,250,000			16,174,500
10-60' BYD Buses	11,400,000	8,897,250		1,750,000	625,000			12,136,250
Sales Tax @ 1.5%	461,489				11,000			11,000
Addon Equipment	794,000	794,100						794,100
Energy Storage Consultant Contract	50,000							-
Inspection Services	126,000							-
Add'l Grant Administration Cost	100,000							100,000
Project Management (ATN 5-yr Staff Time)	408,000	408,000						408,000
TOTAL FORTY ZEB BUSES	\$ 32,705,389	\$ 22,857,000	\$ -	\$ 5,950,000	\$ 2,511,000	\$ -		\$ 35,197,000
Administration, Maintenance & Charging Facility								
Owners Representative & Other Support Services	2,470,057	474,000			1,996,057			2,470,057
Facility Construction	10,186,943	4,958,000	2,000,000	1,200,000	2,348,943			10,506,943
Facility_Land Acquisition	11,100,000						9,810,756	9,810,756
Charging Infrastructure_PPA	3,500,000					3,500,000		3,500,000
TOTAL ADMINISTRATION, MAINTENANCE & CHARGING FACILITY	27,257,000	5,432,000	2,000,000	1,200,000	4,345,000	3,500,000	9,810,756	26,287,756
TOTAL GRANT PROGRAM	\$ 62,457,512	\$ 28,617,000	\$ 2,522,000	\$ 7,410,000	\$ 7,356,000	\$ 3,500,000		\$ 63,426,756
EST. ATN GENERAL FUND CONTRIBUTION OVER 10 YEARS								\$ (969,244)



Future/Unfunded Capital Improvement Program Initiatives

	Estimated Cost/Bus	Total Estimated Cost	Approved Available Funding		Pending or Requested Funding	Unfunded or Pending Future Requests
<i>#ElectrifyAnaheim</i> _36 ART Buses	\$ 850,000	\$ 30,600,000	\$ 3,200,000		\$ 1,900,000	\$ 27,400,000
Mobilty as a Service (MaaS) Initiatives		\$ 600,000			\$ 50,000	\$ 600,000
Post-Covid Economic Recovery		\$ 975,000			\$ 975,000	\$ 975,000
MicroTransit Service Expansion		\$ 1,500,000			\$ 1,500,000	\$ 1,500,000
ATN FUTURE FUNDING PROGRAM						\$ 30,475,000