**LONG BEACH TRANSIT**
**BOARD OF DIRECTORS MEETING**
**AGENDA**

**THURSDAY, MAY 28, 2026**
**4801 AIRPORT PLAZA DRIVE**
**ROSA PARKS BOARD CHAMBER**
**3:30 P.M.**

Abigail Mejia, Chair
Raul Añorve, Vice Chair
Randy Rawlings, Secretary/Treasurer
James Ahumada, Director
Eduardo Angeles, Director
Carl Kemp, Director
David Sutton, Director

Joshua Hickman, City Representative
Christopher Koontz, City Representative

Kenneth A. McDonald
President and Chief Executive Officer

**LONG BEACH TRANSIT BOARD OF DIRECTORS IN-PERSON MEETING**

**MEMBERS OF THE PUBLIC CAN ATTEND MONTHLY BOARD MEETINGS AT LONG BEACH TRANSIT CORPORATE OFFICE ROSA PARK BOARD CHAMBER, BY RIDING ROUTES 104, 111 AND 112.**

**THE CLOSEST BUS STOPS TO LBTCO ARE LOCATED:**
**LAKEWOOD BLVD. AND SPRING ST.**
**CLARK AVE. AND 29TH ST.**
**SPRING ST. AND AIRPORT PLAZA DR.**

**TO CONNECT TO ROUTE 104, TAKE ROUTES 21, 22, 61, 71, 91, 92, 93, 101, 111, 112, 172, 173, 181 AND 182.**

**TO CONNECT TO ROUTES 111 AND 112, TAKE ROUTES 21, 22, 91, 121, 131, 151, 171, 173, 175 AND 192.**

**MEMBERS OF THE PUBLIC MAY LISTEN TO THE MEETING BY DIALING (669) 444-9171 AND ENTERING THE FOLLOWING MEETING ID: 839 6795 6124**

**MEMBERS OF THE PUBLIC MAY ALSO JOIN THE VIDEO CONFERENCE VIA THE FOLLOWING ZOOM MEETING LINK:**
https://us02web.zoom.us/j/83967956124

**PLEASE NOTE THE ZOOM MEETING MAY ENCOUNTER TECHNICAL DISRUPTIONS, BUT IN-PERSON ACCESS AND PUBLIC COMMENT WILL CONTINUE TO BE AVAILABLE IN ACCORDANCE WITH THE BROWN ACT**

**PERSONS WISHING TO ADDRESS THE BOARD MAY SUBMIT PUBLIC COMMENT VIA EMAIL OR TELEPHONE. MEMBERS OF THE PUBLIC ALSO HAVE THE OPTION TO PROVIDE PUBLIC COMMENT IN THE ZOOM MEETING BY USING THE RAISE HAND FUNCTION OR PRESSING *9 ON YOUR PHONE**

Public comments on agenda items may be submitted by email to board@lbtransit.com or by telephone at 562.599.8599.

If calling, please leave a voicemail with your name (please state it clearly), your contact information, and the item number on which you would like to comment (or specify “public comment”).

If emailing, please include your name, contact information, and the item number on which you would like to comment (or specify “public comment”).

More information on this process may be found at ridelbt.com/about-us

**REGULAR MEETING – 3:30 P.M.**

1. Call to Order. (Abigail Mejia)

2. Roll Call. (Jenese Flores)

3. Employee Recognition. (Elizabeth Brown)

   Employees of the Month for May 2026:

   Ramon Lopez, Transit Service Delivery and Planning
   Martin Esparza, Maintenance and Infrastructure
   Carlie Wade, Administrative Staff

INFORMATION ITEM

4. Public Comment.

Any member of the public may approach the lectern and, upon recognition by the Chair, state his or her name and proceed to address the Board on any item within the subject matter jurisdiction of the Long Beach Transit Board of Directors, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three minutes, unless different time limits are set by the Chair, subject to the approval of the Board.

**NOTICE TO THE PUBLIC**

All matters included on the Consent Calendar are considered routine by the Long Beach Transit (LBT) Board of Directors and will all be enacted by one motion. There will be no separate discussion of these items unless a member of the Board of Directors or the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

**CONSENT CALENDAR (5-6)**

5. Recommendation to approve the minutes of the regular session meeting held on April 23, 2026.

**Suggested Action:** Approve recommendation.

6. Recommendation to receive and file the April 2026 monthly financial report.

**Suggested Action:** Approve recommendation.

**REGULAR CALENDAR**

7. Long Beach Transit's Preparation for the World Cup 2026 Games. (Kimberly Yu)

INFORMATION ITEM

8. Recommendation to authorize the President and CEO to extend Long Beach Transit's participation in Year 6 of the Los Angeles Metropolitan Transportation Authority's regional GoPass program until June 30, 2027. (Terry Coon)

**Suggested Action:** Approve recommendation.

9. Recommendation to adopt the Fiscal Year 2027 Operating Budget of $145,900,867 and the Fiscal Year 2027 Capital Budget of $41,940,047. (Kenneth A. McDonald)

**Suggested Action:** Approve recommendation.

10. Public Comment.

Any member of the public may approach the lectern and, upon recognition by the Chair, state his or her name and proceed to address the Board on any item within the subject matter jurisdiction of the Long Beach Transit Board of Directors, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three minutes, unless different time limits are set by the Chair, subject to the approval of the Boa

11. Board Requests.

12. Adjourn. The next regular meeting will be held on July 23, 2026. (Abigail Mejia)

**Suggested Action:** Approve recommendation.

Note:
Long Beach Transit intends to provide reasonable accommodations in accordance with the Americans with Disabilities Act of 1990. If special accommodation is desired, please call the Office of the Board Secretary 48 hours prior to the meeting at 562.599.8599. Long Beach Transit is an entity which is separate and distinct from the City of Long Beach.

**LONG BEACH TRANSIT**
**BOARD OF DIRECTORS MEETING**
**MINUTES**

**THURSDAY, APRIL 23, 2026**
**4801 AIRPORT PLAZA DRIVE**
**ROSA PARKS BOARD CHAMBER**
**3:30 P.M.**

Abigail Mejia, Chair
Raul Añorve, Vice Chair
Randy Rawlings, Secretary/Treasurer
James Ahumada, Director
Eduardo Angeles, Director
Carl Kemp, Director
David Sutton, Director

Joshua Hickman, City Representative
Christopher Koontz, City Representative

Kenneth A. McDonald
President and Chief Executive Officer

**REGULAR MEETING – 3:30 P.M.**

1. Call to Order. (Abigail Mejia)

   Chair Mejia called the meeting to order at 3:32 p.m.

2. Roll Call. (Jenese Flores)

   **Directors Present:** James Ahumada, Raul Añorve, Carl Kemp, Abigail Mejia and David Sutton

   **Directors Excused:** Eduardo Angeles and Randy Rawlings

3. Employee Recognition. (Elizabeth Brown)

   Employees of the Month for April 2026:

   Ray Flemister, Transit Service Delivery and Planning
   Robert Ebert, Maintenance and Infrastructure
   Jocsan Lara, Administrative Staff

INFORMATION ITEM

Elizabeth Brown, Executive Director/VP, Organizational Development and Administration, presented the Employees of the Month for April 2026.

**Item was received and filed**

4. Public Comment.

Any member of the public may approach the lectern and, upon recognition by the Chair, state his or her name and proceed to address the Board on any item within the subject matter jurisdiction of the Long Beach Transit Board of Directors, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three minutes, unless different time limits are set by the Chair, subject to the approval of the Board.

Danny Hom, gave a live public comment regarding follow-up on his January 2026 public comment.

5. President and CEO Report. (Kenneth McDonald)

INFORMATION ITEM

Kenneth McDonald, President and CEO, presented his monthly report.

CEO McDonald provided a summary of the 5-Star Bus Rodeo hosted by LBT.

CEO McDonald announced that LBT received the ThinkTransit Award of Excellence for Excellence in Transit Technology Planning.

CEO McDonald highlighted the agency's engagement with local colleges and universities, including staff participation in educational and industry events, as well as hosted tours of LBT facilities for university students.

CEO McDonald highlighted various community events LBT staff participated in for the month of April.

CEO McDonald provided a summary of the APTA Legislative Conference he and staff attended.

Chair Mejia and Vice Chair Añorve shared their experiences participating in the Cambodia Town Parade.

**Item was received and filed**

6. General Counsel's Report: Brown Act Updates (Vince Ewing)

INFORMATION ITEM

General Counsel Vince Ewing presented his report.

Director Sutton inquired if LBT is providing video of the Board meetings on its website.

Jenese Flores, Board Secretary, responded that the videos of LBT Board meetings are posted on LBT's YouTube page.

Director Sutton then inquired about the agency's use of virtual participation options.

Ms. Flores responded that members of the public may participate and provide public comments via telephone, and that Board meetings are currently conducted

in a hybrid format through Zoom for public attendance. She further noted that the agency promotes these participation options to the public.

Director Kemp inquired if the LBT YouTube page is connected to the LBT website.

Ms. Flores responded that there is a link to LBT's YouTube page on the LBT website.

Director Kemp asked for clarification on the social media deliberation clause.

General Counsel Ewing clarified that social media, electronic communications, text messages, emails, and social media applications may constitute forms of communication subject to Board deliberation restrictions. He also provided hypothetical scenarios illustrating how deliberations could occur through those communication mediums.

Director Kemp followed up inquiring about the definition of social media within the statute.

General Counsel Ewing responded by referencing specific California cases in which Board members communicated through the comment sections of Facebook and Instagram, noting that social media platforms are now recognized under the law as forms of communication that may constitute Board deliberation.

**Item was received and filed**

**NOTICE TO THE PUBLIC**

All matters included on the Consent Calendar are considered routine by the Long Beach Transit (LBT) Board of Directors and will all be enacted by one motion. There will be no separate discussion of these items unless a member of the Board of Directors or the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

**CONSENT CALENDAR (7-8)**

**Vice Chair Añorve requested that Item 7 be removed from the Consent Calendar for separate discussion and consideration.**

**A motion was made by Director Ahumada, seconded by Sutton, to pass the consent calendar. The motion carried by the following vote:**

**Yes:** 4 – James Ahumada, Raul Añorve, Carl Kemp and Abigail Mejia
**Abstain:** 1 - David Sutton
**Excused:** 2 – Eduardo Angeles and Randy Rawlings

8. Recommendation to receive and file the March 2026 monthly financial report.

**Suggested Action:** Approve recommendation.

**REGULAR CALENDAR**

7. Recommendation to approve the minutes of the regular session meeting held on March 26, 2026.

**Suggested Action:** Approve recommendation.

Vice Chair Añorve noted that his name and a staff member's name were misspelled in Item 9 of the minutes.

Ms. Flores responded that the spelling of the staff member's name was correct and confirmed that the spelling of Vice Chair Añorve's name would be corrected in the official minutes.

**A motion was made by Vice Chair Añorve, seconded by Director Ahumada, to approve the minutes as amended. The motion carried by the following vote:**

**Yes:** 4 – James Ahumada, Raul Añorve, Carl Kemp and Abigail Mejia
**Abstain:** 1 - David Sutton
**Excused:** 2 – Eduardo Angeles and Randy Rawlings

9. Recommendation to authorize the President and CEO to enter into a three year contract with Merrimac Energy Group for the purchase of unleaded gasoline fuel at a cost of $8,224,367 with two, one-year options at $1,465,465 for Option Year One and $167,627 for Option Year Two including a 10% contingency in the amount of $985,746, for a total authorization amount not to exceed $10,848,205. (James Scott)

**Suggested Action:** Approve recommendation.

James Scott, Executive Director/VP, Maintenance and Infrastructure, presented the staff report.

Vice Chair Añorve inquired about the significant decrease in the Option Year 2 costs.

Mr. Scott responded that, by 2030 during Option Year 2, Long Beach Transit is expected to have retired all gasoline-powered buses and will only require gasoline purchases for agency service vehicles.

**A motion was made by Vice Chair Añorve, seconded by Director Ahumada, to approve the recommendation. The motion carried by the following vote:**

**Yes:** 5 – James Ahumada, Raul Añorve, Carl Kemp, Abigail Mejia and David Sutton
**Excused:** 2 - Eduardo Angeles and Randy Rawlings

10. Recommendation to authorize the President and CEO to enter into a five-year contract with Convergint for the maintenance and support of LBT's CCTV video surveillance system at a cost of $1,044,841 including a 5% contingency in the amount of $52,242 for a total authorization amount not to exceed $1,097,083. (Billy Anderson, Jr.)

**Suggested Action:** Approve recommendation.

Billy Anderson, Manager, System Security, presented the staff report.

Director Sutton inquired about the agency's camera monitoring system, including how camera feeds are transmitted, who monitors the footage, and how the information is utilized by the agency.

Mr. Anderson responded that camera feeds are routed to the guard shacks at LBT1 and LBT2, the System Security Office, and the agency's dispatch centers where the system is monitored 24 hours a day, seven days a week.

Director Sutton followed up by inquiring whether the camera system records audio in addition to video and asked how long video footage is retained by the agency.

Mr. Anderson responded that the camera system records video only and that video footage is retained by the agency for 30 days.

Director Sutton then inquired whether the camera system discussed was related to the video footage captured inside and outside of agency buses.

Mr. Anderson responded that the camera system discussed is a separate system from the video recording systems installed inside and outside of agency buses.

Director Sutton then inquired whether the agency utilizes artificial intelligence or other computer-assisted technology in connection with the camera system and video monitoring.

Mr. Anderson responded that the agency utilizes a virtual fence system and video analytics technology to monitor agency properties; however, the system is not integrated with artificial intelligence. He explained that the virtual fence is designed to alert security personnel to potential intrusions or unauthorized activity on agency

property, such as attempts to scale perimeter fencing.

Vice Chair Añorve inquired under what circumstances the agency shares video footage with law enforcement.

Mr. Anderson responded that video footage is shared with law enforcement to assist with investigations when a police report has been filed and relevant footage is available. He further explained that requests for video footage are submitted through the agency as part of the investigative process.

Vice Chair Añorve followed up by inquiring whether a warrant, subpoena, or court order is required for the release of video footage.

Mr. Anderson responded that a warrant, subpoena, or court order is not required in all cases for the release of video footage.

Vice Chair Añorve followed up by asking whether there are circumstances under which the agency would provide video footage upon request from the Long Beach Police Department.

Mr. Anderson confirmed that there are circumstances under which video footage may be provided to the Long Beach Police Department upon request.

Vice Chair Añorve inquired whether the proposed contract includes facial recognition technology or license plate reader capabilities.

Mr. Anderson responded that the contract is intended to maintain the agency's existing camera system and that facial recognition technology and license plate reader capabilities are not currently deployed within the system.

Vice Chair Añorve inquired whether the agency requests additional information from law enforcement regarding the purpose of a video footage request or whether footage is provided based upon a request for a specific date and time.

Mr. Anderson responded that law enforcement agencies are required to submit a video request form identifying the date, time, and nature of the incident being investigated, along with the associated police report number. He further clarified that video footage is not released randomly and must be tied to a documented incident.

Vice Chair Añorve expressed concern regarding data governance and the potential misuse of video footage and inquired whether the agency has experienced any related issues in the past.

Mr. Anderson responded that, to his knowledge, the agency has not experienced

any issues related to the misuse of video footage or data governance.

CEO McDonald clarified that Long Beach Police Department officers work directly with the agency through a contracted arrangement under which the agency funds six officers assigned to Long Beach Transit operations. He further noted that, as part of that working relationship, the Long Beach Police Department already has access to much of the agency's video footage.

Vice Chair Añorve asked for clarification regarding whether the agency would provide video footage to federal law enforcement agencies, such as the Department of Homeland Security, upon request.

CEO McDonald responded that if a federal agency submitted a legal request through the Long Beach Police Department, the Police Department would assist with the request.

Director Kemp expressed concern regarding the privacy of riders, including undocumented individuals, and inquired whether there are circumstances under which the agency would provide information directly to non-local law enforcement agencies without a warrant.

CEO McDonald clarified that the agency does not provide information to non-local agencies without a warrant and emphasized that a legal warrant is required for such requests.

**A motion was made by Director Kemp, seconded by Director Sutton, to approve the recommendation. The motion carried by the following vote:**

**Yes:** 5 – James Ahumada, Raul Añorve, Carl Kemp, Abigail Mejia and David Sutton
**Excused:** 2 - Eduardo Angeles and Randy Rawlings

11. Recommendation to authorize the President and CEO to enter into a contract with Warren Anderson Ford DBA Fritts Ford, for the purchase of six 2026 Ford E Transit battery electric Dial-A-Lift vans at a cost of $698,589 with a 5% contingency of $34,930 for a total authorization amount not to exceed $733,519. (Sergio Ortiz)

**Suggested Action:** Approve recommendation.

Sergio Ortiz, Manager, Fleet Maintenance, presented the staff report.

Vice Chair Añorve noted several clerical inconsistencies within the report, including variations in the naming of Warren Anderson Ford and the spelling of "Fritts." The Director also inquired whether "DBA Fritts Ford of Riverside, California" is the vendor's full legal business name.

Mr. Ortiz confirmed that Warren Anderson Ford was the correct vendor name and stated that they would verify the DBA name reflected in the report.

Vince Chair Añorve inquired how staff would address and correct such clerical errors within the public record.

General Counsel Ewing responded that clerical corrections may either be made on the record during the meeting or corrected at a later time and introduced at a subsequent meeting. He further recommended that, because staff needed to confirm the spelling and vendor information, the corrected language be brought forward at a future meeting.

Vice Chair Añorve then inquired whether correcting the clerical errors and bringing the item back at a subsequent meeting would impact the timeliness of the contract.

General Counsel Ewing responded that the matter would be considered an administrative correction

CEO McDonald responded stated that staff would ensure the correct vendor and doing business as information is reflected on the purchase order and confirmed that Procurement would verify the information to ensure the public record is accurate and clear.

Director Kemp encouraged Board members to continue identifying clerical or administrative issues during meetings and expressed confidence that staff would make any necessary corrections without requiring the item to return to the Board.

Director Ahumada requested clarification regarding the total number of vehicles that would be included in the program following completion of the purchase, including replacement vehicles previously acquired

Mr. Ortiz responded that the final total under the program would be 10 vehicles.

**A motion was made by Vice Chair Añorve, seconded by Director Ahumada, to approve the recommendation as amended. The motion carried by the following vote:**

**Yes:** 5 – James Ahumada, Raul Añorve, Carl Kemp, Abigail Mejia and David Sutton
**Excused:** 2 - Eduardo Angeles and Randy Rawlings

12. Recommendation to adopt Long Beach Transit's 2026 Public Transportation Agency Safety Plan to comply with FTA Final Rule in accordance with 49 Code of Federal Regulations Part 673. (Derrick Rolen)

**Suggested Action:** Approve recommendation.

Derrick Rolen, Manager, Environmental, Health and Safety, presented the staff report.

Director Sutton noted that the chart presented appeared to reflect increases in several traffic accident categories compared to the previous year and inquired about contributing factors associated with the increase. He further asked whether staff had identified any areas for improvement to help reduce incidents moving forward.

CEO McDonald responded that staff attributed many of the incidents to reckless driving behaviors by motorists and noted that the majority of the accidents reviewed were caused by external factors and were not the fault of agency operators.

City Representative Koontz commented that the City has experienced an increase in reckless driving behaviors and noted that, despite slight increases in incidents, the agency continues to operate a safe system. He further emphasized the importance of communicating the agency's strong safety performance to the public.

CEO McDonald stated that agency's efforts, including the Transit Ambassador program and operator safety barriers, have contributed to improved system safety and noted that staff would continue working to better communicate the agency's safety performance to the public.

Director Sutton commented that the agency may be able to better communicate system safety by comparing safety statistics for riding transit with broader citywide conditions.

CEO McDonald stated that the agency continues to work collaboratively with the City to address safety concerns and identify operational improvements and noted that staff would continue working to better communicate the agency's safety performance to the public.

Director Kemp encouraged staff to continue promoting the agency's strong safety record through public outreach and media efforts.

**A motion was made by Director Sutton, seconded by Director Kemp, to approve the recommendation. The motion carried by the following vote:**

**Yes:** 5 – James Ahumada, Raul Añorve, Carl Kemp, Abigail Mejia and David Sutton
**Excused:** 2 - Eduardo Angeles and Randy Rawlings

Vice Chair Añorve left the meeting at 4:56 p.m.

**Directors Present:** James Ahumada, Carl Kemp, Abigail Mejia and David Sutton

13. Fiscal Year 2026 Third Quarter Financial Report. (Lisa Patton)

INFORMATION ITEM

Lisa Patton, Executive Director/VP, Finance and Budget, presented the staff report.

Director Sutton inquired how the agency is managing the gap between available state funding and the funding necessary to maintain the agency's level of service.

Ms. Patton responded that, during Fiscal Year 2026, the agency is managing expenses to align with available revenues and noted that all departments are contributing to the effort to remain within the agency's available funding levels.

Director Sutton followed up by inquiring how the agency plans to address the funding gap in the upcoming fiscal year

Ms. Patton responded that the agency is currently preparing the Fiscal Year 2027 budget and noted that balancing future budgets will require increased reliance on reserves and the transfer of capital funds to operating expenses as federal stimulus funds are exhausted.

CEO McDonald stated that the agency's decision to spread federal stimulus funding over multiple years has helped stabilize current operations; however, he cautioned that the agency expects significant financial challenges in future years due to declining state revenues, uncertainty surrounding federal appropriations, and broader economic conditions.

**Item was received and filed**

14. Public Comment.

Any member of the public may approach the lectern and, upon recognition by the Chair, state his or her name and proceed to address the Board on any item within the subject matter jurisdiction of the Long Beach Transit Board of Directors, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three minutes, unless different time limits are set by the Chair, subject to the approval of the Board

There were no public comments.

15. Board Requests.

Director Kemp requested a future Board presentation regarding the agency's DBE and small business programs, including the status of the paused DBE certification process, clarification regarding language within the report related to minority and women business programs, the agency's current outreach efforts for small and local business enterprises, and the potential development of agency-specific requirements similar to those utilized by the City and Port.

16. Adjourn. The next regular meeting will be held on May 28, 2026. (Abigail Mejia)

**Suggested Action:** Approve recommendation.

Meeting adjourned at 5:14 p.m.

**A motion was made by Director Kemp, seconded by Director Sutton, to approve the recommendation. The motion carried by the following vote:**

**Yes:** 4 – James Ahumada, Carl Kemp, Abigail Mejia and David Sutton
**Excused:** 3 - Eduardo Angeles, Raul Añorve and Randy Rawlings

Note:
Long Beach Transit intends to provide reasonable accommodations in accordance with the Americans with Disabilities Act of 1990. If special accommodation is desired please call the Office of the Board Secretary 48 hours prior to the meeting at 562.599.8599. Long Beach Transit is an entity which is separate and distinct from the City of Long Beach.

# LONG BEACH TRANSIT
# STATEMENT OF REVENUES AND EXPENSES
# FOR PERIOD JULY 1, 2025 TO APRIL 30, 2026



| | April 2025 | April 2026 | April Budget | % | Year to Date FY 2025 | Year to Date FY 2026 | Year to Date Budget | % |
|---|---|---|---|---|---|---|---|---|
| **OPERATING REVENUE** | | | | | | | | |
| Passenger Fares | $818,103 | $806,317 | $823,628 | 98 | $8,131,683 | $8,137,690 | $8,357,973 | 97 |
| Dial A Lift Fares | 3,718 | 4,046 | 3,959 | 102 | 36,700 | 40,002 | 37,051 | 108 |
| Aqua Service Fares | 12,642 | 15,325 | 14,207 | 108 | 215,263 | 219,889 | 168,794 | 130 |
| Special Event Service Revenue | 51,223 | 57,110 | 38,519 | 148 | 168,312 | 189,350 | 163,158 | 116 |
| Advertising Revenue | 5,040 | 70,833 | 70,833 | 100 | 276,713 | 695,833 | 695,832 | 100 |
| Interest & Miscellaneous | 521,796 | 307,619 | 386,278 | 80 | 5,338,914 | 4,747,720 | 3,856,546 | 123 |
| **TOTAL OPERATING REVENUE** | **$1,412,522** | **$1,261,250** | **$1,337,424** | **94** | **$14,167,585** | **$14,030,484** | **$13,279,354** | **106** |
| **SUBSIDY REVENUE** | | | | | | | | |
| Federal | $526,047 | $19,819 | $0 | - | $24,082,807 | $12,650,448 | $12,265,866 | 103 |
| State | 2,668,574 | 2,699,949 | 3,209,969 | 84 | 26,725,743 | 26,999,500 | 32,099,690 | 84 |
| County | 6,026,922 | 5,122,974 | 5,120,594 | 100 | 40,025,293 | 51,229,741 | 51,205,940 | 100 |
| Local | 732,084 | 752,393 | 714,545 | 105 | 7,696,801 | 8,135,860 | 7,749,070 | 105 |
| **TOTAL SUBSIDY REVENUE** | **$9,953,627** | **$8,595,136** | **$9,045,108** | **95** | **$98,530,644** | **$99,015,549** | **$103,320,566** | **96** |
| **TOTAL REVENUE** | **$11,366,149** | **$9,856,385** | **$10,382,532** | **95** | **$112,698,229** | **$113,046,033** | **$116,599,920** | **97** |
| **OPERATING EXPENSES** | | | | | | | | |
| Operations | $5,402,461 | $5,537,995 | $5,885,817 | 94 | $51,931,491 | $55,662,307 | $57,546,205 | 97 |
| Maintenance | 2,525,087 | 2,554,096 | 2,758,150 | 93 | 26,105,175 | 26,546,057 | 27,571,294 | 96 |
| Administration | 2,245,855 | 2,228,177 | 2,588,104 | 86 | 21,766,917 | 23,582,679 | 25,649,466 | 92 |
| Fuel & Lubricants | 447,306 | 473,887 | 536,340 | 88 | 4,562,997 | 4,834,457 | 5,442,217 | 89 |
| **TOTAL OPERATING EXPENSES** | **$10,620,709** | **$10,794,155** | **$11,768,411** | **92** | **$104,366,580** | **$110,625,499** | **$116,209,182** | **95** |
| **NET INCOME (LOSS) BEFORE DEPR.** | **$745,439** | **($937,770)** | **($1,385,879)** | | **$8,331,649** | **$2,420,534** | **$390,738** | |
| **DEPRECIATION** | $1,385,523 | $1,839,641 | $1,839,641 | 100 | $15,085,942 | $16,653,578 | $16,653,578 | 100 |

# LONG BEACH TRANSIT
# SCHEDULE OF EXPENSES
# FOR PERIOD JULY 1, 2025 TO APRIL 30, 2026



| | Operations | Maintenance | Admin | Total Curr. Month | Current Month Budget | % | Year to Date | Year to Date Budget | % |
|---|---|---|---|---|---|---|---|---|---|
| **LABOR** | | | | | | | | | |
| Operators | $2,845,857 | $0 | $0 | $2,845,857 | $2,836,047 | 100 | $28,193,236 | $27,544,181 | 102 |
| Maintenance | 0 | 656,987 | 0 | 656,987 | 654,052 | 100 | 6,615,125 | 6,519,292 | 101 |
| Salaried | 388,215 | 423,521 | 826,425 | 1,638,161 | 1,761,709 | 93 | 17,169,459 | 18,045,400 | 95 |
| **FRINGE BENEFITS** | | | | | | | | | |
| FICA | 228,620 | 77,465 | 60,990 | 367,075 | 398,661 | 92 | 3,660,231 | 3,981,046 | 92 |
| Pension | 297,168 | 110,476 | 78,570 | 486,213 | 721,617 | 67 | 5,349,053 | 7,205,958 | 74 |
| Health | 643,570 | 189,595 | 131,146 | 964,311 | 1,089,264 | 89 | 9,587,072 | 10,401,018 | 92 |
| Workers' Compensation | 617,533 | 44,186 | 4,313 | 666,031 | 666,153 | 100 | 6,659,792 | 6,661,530 | 100 |
| Uniform & Tool Allowance | 12,877 | 8,313 | 0 | 21,189 | 27,679 | 77 | 249,421 | 296,793 | 84 |
| Unemployment & Other Fringes | 4,753 | 3,600 | 26,097 | 34,450 | 49,144 | 70 | 424,655 | 577,890 | 73 |
| **SERVICES** | | | | | | | | | |
| Advertising | 0 | 0 | 95,273 | 95,273 | 80,022 | 119 | 634,948 | 742,220 | 86 |
| Professional & Technical | 36,974 | 50,113 | 208,852 | 295,939 | 428,885 | 69 | 3,068,597 | 3,868,733 | 79 |
| Contract Maintenance | 0 | 204,847 | 203,148 | 407,995 | 507,198 | 80 | 4,437,187 | 5,031,742 | 88 |
| Security | 281,534 | 42,806 | 0 | 324,340 | 357,834 | 91 | 3,147,311 | 3,595,005 | 88 |
| Employment Physicals | 0 | 0 | 13,545 | 13,545 | 20,500 | 66 | 161,816 | 205,000 | 79 |
| Other | 0 | 6,869 | 14,588 | 21,457 | 20,741 | 103 | 168,329 | 187,271 | 90 |

# LONG BEACH TRANSIT
# SCHEDULE OF EXPENSES
# FOR PERIOD JULY 1, 2025 TO APRIL 30, 2026



| | Operations | Maintenance | Admin | Total Curr. Month | Current Month Budget | % | Year to Date | Year to Date Budget | % |
|---|---|---|---|---|---|---|---|---|---|
| **MATERIALS & SUPPLIES** | | | | | | | | | |
| Fuel & Lubricants | $0 | $473,887 | $0 | $473,887 | $536,340 | 88 | $4,834,457 | $5,442,217 | 89 |
| Fleet Parts & Supplies | 0 | 486,000 | 0 | 486,000 | 562,782 | 86 | 5,452,189 | 5,609,934 | 97 |
| Other Materials & Supplies | 0 | 53,337 | 20,678 | 74,015 | 73,279 | 101 | 678,792 | 746,750 | 91 |
| **UTILITIES** | 0 | 131,241 | 37,662 | 168,904 | 184,235 | 92 | 1,793,645 | 1,802,221 | 100 |
| **CASUALTY/LIABILITY COSTS** | 0 | 7,895 | 413,251 | 421,145 | 412,865 | 102 | 5,159,265 | 4,128,650 | 125 |
| **PURCHASED TRANS. SERVICE** | | | | | | | | | |
| Dial A Lift | 103,004 | 0 | 0 | 103,004 | 122,788 | 84 | 1,040,546 | 1,148,726 | 91 |
| Aqua Service | 77,770 | 0 | 0 | 77,770 | 88,366 | 88 | 744,856 | 876,087 | 85 |
| **MISC. EXPENSES** | | | | | | | | | |
| Dues & Subscriptions | 0 | 0 | 18,691 | 18,691 | 15,833 | 118 | 143,595 | 158,330 | 91 |
| Taxes, Fees | 0 | 32,357 | 3,046 | 35,403 | 35,507 | 100 | 357,077 | 359,080 | 99 |
| Training, Travel & Meetings | 0 | 0 | 17,182 | 17,182 | 27,083 | 63 | 176,369 | 270,830 | 65 |
| Schedules & Tickets | 0 | 0 | 10,110 | 10,110 | 20,000 | 51 | 54,070 | 105,000 | 51 |
| Safety & Misc. Items | 0 | 6,528 | 16,120 | 22,647 | 15,938 | 142 | 160,445 | 159,380 | 101 |
| Recruitment Advertising | 0 | 0 | 7,148 | 7,148 | 6,623 | 108 | 53,008 | 66,230 | 80 |
| Other | 120 | 17,962 | 21,343 | 39,425 | 47,266 | 83 | 450,956 | 472,668 | 95 |
| **TOTAL OPERATING EXPENSES:** | **$5,537,995** | **$3,027,983** | **$2,228,177** | **$10,794,155** | **$11,768,411** | **92** | **$110,625,499** | **$116,209,182** | **95** |

# LONG BEACH TRANSIT
# BALANCE SHEET



| | Balance at 04/30/26 | Balance at 03/31/26 | Balance at 04/30/25 |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and Investments | 88,542,679 | 90,754,698 | 95,956,650 |
| Receivables | | | |
| Federal | 845,658 | 0 | 0 |
| State | 7,436,720 | 6,919,110 | 5,971,517 |
| County | 195,521 | 139,079 | 776,849 |
| Local | 1,496,725 | 2,381,047 | 2,612,179 |
| Miscellaneous | 3,130,726 | 3,390,198 | 3,195,384 |
| Materials & Supplies Inv. | 4,506,966 | 4,496,539 | 4,042,734 |
| Net Capital Assets | 145,323,130 | 145,227,772 | 112,579,484 |
| Other Assets | 2,530,818 | 3,483,753 | 2,183,332 |
| **TOTAL ASSETS** | **254,008,943** | **256,792,196** | **227,318,130** |
| **LIABILITIES AND CAPITAL** | | | |
| Trade Payables | 4,672,644 | 4,923,240 | 4,856,672 |
| Accrued Payroll Liabilities | 12,309,703 | 11,843,636 | 8,320,514 |
| Net Pension Liability (GASB 68) | 23,177,366 | 23,177,366 | 23,275,344 |
| Compensated Absence Liabilities | 4,247,051 | 4,226,698 | 4,256,004 |
| Estimated Liabilities | 77,870,999 | 78,709,743 | 67,989,198 |
| Deferred Credits | 18,416,123 | 19,705,031 | 27,156,924 |
| **TOTAL LIABILITIES** | **140,693,886** | **142,585,716** | **135,854,655** |
| Federal Capital Contributions | 382,396,957 | 381,571,119 | 340,497,209 |
| State Capital Contributions | 129,624,895 | 128,621,494 | 122,694,030 |
| Local Capital Contributions | 135,962,542 | 135,905,794 | 133,028,226 |
| Accumulated Earnings (Losses) | (534,669,338) | (531,891,927) | (504,755,989) |
| **TOTAL CAPITAL** | **113,315,057** | **114,206,480** | **91,463,475** |
| **TOTAL LIABILITIES AND CAPITAL** | **254,008,943** | **256,792,196** | **227,318,131** |

## INFORMATION ITEM

Update on Long Beach Transit's Preparation for the World Cup 2026 Games

## STAFF REPRESENTATIVE

Kimberly Yu, Deputy Chief Executive Officer

## BACKGROUND

Following the February 26, 2026 Board of Directors update regarding the World Cup 2026 planning efforts, staff have continued advancing coordination and preparedness activities in support of tournament operations throughout the Los Angeles region. The following sections summarize key activities, regional coordination efforts, and agency preparations currently underway in support of tournament operations.

Long Beach Transit (LBT) will be one of 14 Regional Transit Providers (RTPs) participating in the World Cup Games Enhanced Transit Service program supporting tournament operations throughout Southern California. Through this coordinated regional effort, participating transit agencies will assist in delivering transportation services for residents, visitors, employees, volunteers, and event attendees traveling to and from World Cup-related activities.

Table A below identifies the participating Regional Transit Providers.

Table A: World Cup Games Enhanced Transit Service (WCGETS) Providers

| Regional Transit Providers | |
|---|---|
| Access Services (ADA) | Santa Monica – Big Blue Bus |
| Culver City Transit | Riverside Transit Agency |
| Foothill Transit | Montebello Bus Lines |
| Norwalk Transit System | Long Beach Transit |
| OmniTrans | Orange County Transportation Authority (OCTA) |
| Metrolink | Torrance Transit |
| City of Gardena - GTrans | Los Angeles County Metropolitan Transportation Authority (Metro) |

Los Angeles will host eight World Cup 2026 matches at SoFi Stadium between June and July 2026. Table B below provides a summary of the currently scheduled match dates and start times.

Table B: World Cup Match Details

| Date | Match | Time (PT) |
|---|---|---|
| Friday, June 12, 2026 | USA vs. Paraguay | 6:00 PM |
| Monday, June 15, 2026 | IR Iran vs. New Zealand | 6:00 PM |
| Thursday, June 18, 2026 | Switzerland vs. Bosnia and Herzegovina | 12:00 PM |
| Sunday, June 21, 2026 | Belgium vs. IR Iran | 12:00 PM |
| Thursday, June 25, 2026 | USA vs. Turkiye (Turkey) | 7:00 PM |
| Sunday, June 28, 2026 | Round of 32 | 12:00 PM |
| Thursday, July 2, 2026 | Round of 32 | 12:00 PM |
| Friday, July 10, 2026 | Quarterfinal | 12:00 PM |

At the September 25, 2025 Board of Directors meeting, staff informed the Board of LBT's formal planning effort to prepare for future mega-events, including the 2028 Olympic and Paralympic Games (LA28), through the development of a comprehensive Project Management Plan (PMP). The PMP establishes agencywide objectives, operational protocols, and interdepartmental coordination processes intended to guide planning efforts, support operational readiness, and strengthen coordinated service delivery during large-scale regional events.

Subsequently, at the February 26, 2026 Board of Directors meeting, staff provided a more detailed update focused specifically on the World Cup 2026 planning activities, including operational coordination efforts, regional stakeholder engagement, and anticipated service impacts associated with tournament operations.

As part of the LBT's broader mega-event preparedness strategy, the World Cup 2026 continues to serve as an opportunity to evaluate operational performance under heightened service demand, test interdepartmental coordination processes, and identify areas requiring additional investment and resources ahead of LA28.

Under the PMP, each department is responsible for preparing plans aligned with established planning processes that support coordinated service delivery, risk management, and operational readiness efforts. Detailed departmental responsibilities and coordination frameworks were previously presented to the Board as part of prior World Cup planning updates.

## Metro World Cup Enhanced Service

In coordination with Metro, LBT will provide enhanced transit service connecting the City of Long Beach to SoFi Stadium, referred to as Los Angeles Stadium during World Cup 2026 operations. The service is intended to support increased transportation demand associated with tournament activities.

The figure below provides an overview of the planned enhanced service route connecting Long Beach to Los Angeles Stadium during tournament operations.



## LBT's Service Details

The route which is approximately 20 miles (one way), originates in the City of Long Beach at LBT's existing bus stop located at 1st Street and Long Beach Boulevard and terminates at the designated drop-off location near Los Angeles Stadium at 3700 W. Century Boulevard, Inglewood. The estimated travel time is 50 minutes (one way), subject to traffic and event conditions.

The proposed service is planned to begin four (4) hours prior to each match and continues for one and a half (1.5) hours following the conclusion of the game to support customer travel demand.

The pickup and drop off location within the City of Long Beach was selected to ensure a seamless customer experience and convenient park and ride access, with the trip origin situated within a short walking distance of the Transit Gallery and adjacent parking facilities, including available parking at City of Long Beach Parking Lot C.

The designated pick-up and drop-off location in Inglewood will be the Intuit Dome – East Garage, which is approximately a 0.7-mile walk to the Los Angeles Stadium. The LA Sports and Entertainment Commission will offer a separate wheelchair golf cart service at the drop-off and pick-up locations for each game to support ADA customers requiring transportation accommodations.

LBT will deploy approximately 12 to 15 buses per match, including 3 spare buses, to ensure reliable service and sufficient capacity. This deployment strategy is designed to ensure sufficient capacity, operational flexibility, and consistent customer experience throughout each event.

Customers with valid World Cup 2026 match tickets will pay a fare of $1.75 one way, or $3.50 roundtrip, with convenient options including contactless open payment, mobile wallets such as Apple Pay and Google Pay, and TAP cards. All customers will be seated, and standing will not be permitted while the bus is in operation.

The following summarizes additional plans that support the overall PMP.

## Communications and Public Outreach Plans

The Communications and Outreach Plans include a coordinated, multi-channel approach designed to maximize visibility and provide timely, accurate information to customers and visitors before and during the World Cup 2026. The plan focuses on ensuring customers understand how to access services, reducing confusion, and supporting smooth and reliable customer experience.

Digital efforts include coordinated messaging across social media platforms, opt-in real-time text alerts, LinkedIn success stories, a dedicated LBT webpage, and targeted digital advertising. These efforts are complemented by print and physical media such as Beach Cities Magazine ads, hotel handouts, business window clings, community newsletters, and flyers to reach both local and visiting audiences.

Messaging will focus on key customer information, including service options, schedules, pick-up and drop-off location in City of Long Beach, wayfinding, accessibility, and travel planning guidance. Materials will be developed in multiple languages and accessible formats to support a diverse, global audience.

In coordination with regional partners and the City of Long Beach, LBT will ensure consistent and aligned messaging across agencies. During the event, trained LBT staff volunteers will provide on-site customer assistance at designated pick-up and drop-off location, supporting wayfinding, managing passenger flow, and delivering a consistent, high-quality customer experience.









## Maintenance Plan

The Maintenance Plan ensures a clean, reliable, and professional fleet throughout the World Cup. Buses will feature event specific wraps, with illustrative examples shown above, supported by ongoing cleaning to maintain a consistent fleet appearance.

Maintenance staff will remain in continuous coordination with the LBT's dispatch center, monitoring radio communications, real time vehicle location, and vehicle performance to quickly identify and address issues. Dedicated maintenance personnel, including a truck mechanic and utility technician, will be assigned to support event operations.

All vehicle issues will be logged and addressed promptly, with backup buses deployed as needed. Close coordination with dispatch and operations will enable efficient vehicle swaps and help minimize service disruptions, ensuring reliable service for customers.

## Information Technology

The Information Technology Plan supports reliable and secure operations during the World Cup by strengthening system performance, connectivity, and resilience. Key upgrades include enhanced cybersecurity protections through upgraded firewalls and the migration of the mission critical Vontas system to a secure, cloud-based platform with full disaster recovery capabilities.

The agency has advanced its One User, One Device initiative, equipping staff with modern mobile devices to support real-time communication, coordination, and operational efficiency. Additional Vontas enhancements, including an automated head sign interface, reduce manual input and improve accuracy in service delivery.

In partnership with Verizon, LBT is securing dedicated emergency communication resources to ensure consistent connectivity and system reliability during high demand periods. These efforts help ensure that critical systems remain operational and responsive throughout the event.

## Security Plan

The Security Plan ensures a safe and secure environment for customers and staff during the World Cup. At designated pick-up locations, Long Beach Police Department Transit Enforcement Detail officers and Transit Ambassadors will support coordinated bus boardings, providing a visible presence, reinforcing safety messaging, and assisting customers throughout their trip.

A comprehensive Security Incident Response Plan has been established to support rapid and effective response to potential incidents while maintaining operational continuity. The plan

includes procedures for identifying and addressing potential threats, defined evacuation and response protocols, and a clear communication and reporting structure.

Coordination across security, operations, and external partners will ensure a consistent, well managed approach to safety, supporting a reliable and secure customer experience throughout the event.

### Stakeholders Coordination

### City of Long Beach

LBT continues to collaborate closely with the City of Long Beach to strengthen event operations and enhance the customer experience through coordinated efforts in Park and Ride planning, customer communications, and preparations related to road closures and public viewing activities.

### Metro

LBT is coordinating closely with Metro to optimize transit services and visitor communication. This includes coordinating bus operations, display information, aligning marketing strategies, and integrating visitor information across platforms. In efforts to assist customers with locating LBT buses, wayfinding window decals will be attached onto LBT buses. Wayfinding signs will also be located near the pick-up and drop-off locations.

### External Stakeholders

The Downtown Long Beach Alliance will be supporting Long Beach Transit with marketing efforts and volunteer staffing for the Downtown Transit Gallery Visitors Information Center (TVIC), as well as during the LA Galaxy Soccer Celebration Event.

Staff will continue coordinating with Metro, regional partners, and community stakeholders to ensure Long Beach Transit is fully prepared to support World Cup 2026 operations.

## STAFF RECOMMENDATION

Not Applicable. Information Item.

Kenneth A. McDonald
President and Chief Executive Officer

## RECOMMENDED ACTION

Authorize the President and CEO to extend Long Beach Transit's participation in Year 6 of the Los Angeles Metropolitan Transportation Authority's regional GoPass program until June 30, 2027.

## STAFF REPRESENTATIVES

Terry Coon, Manager, Finance

## BACKGROUND

In August 2020, the Los Angeles Metropolitan Transportation Authority (Metro) launched the countywide Fareless System Initiative (FSI), now known as GoPass. The initiative was designed to explore fare-free transit for students across Los Angeles County. Following initial planning and stakeholder engagement, Metro's Board of Directors approved an 18-month pilot program, which began October 1, 2021, and extended through June 30, 2023. The pilot provided free transit access to students in participating K-12 and Community College districts.

The Metro Board subsequently extended the program through June 30, 2024 (Year 3), and in April 2024, voted to make the program permanent, with annual reporting requirements related to funding, participation, and impact.

The Long Beach Transit (LBT) Board authorized participation in the pilot at its November 2, 2021, meeting. Under the program, LBT allows students from participating districts to ride fare-free, with local districts contributing a $7 per-student fee. In May 2025, LBT's Board of Directors approved extending the agency's participation in the program for an additional year (Year 5) while continuing to seek long-term funding.

### Participating Districts in LBT's Service Area:

- K-12: Long Beach Unified, Bellflower Unified, Paramount Unified, Los Angeles Unified, and other local Independent Charter Schools.
- Community Colleges: Long Beach City College, Cerritos College, Compton College.

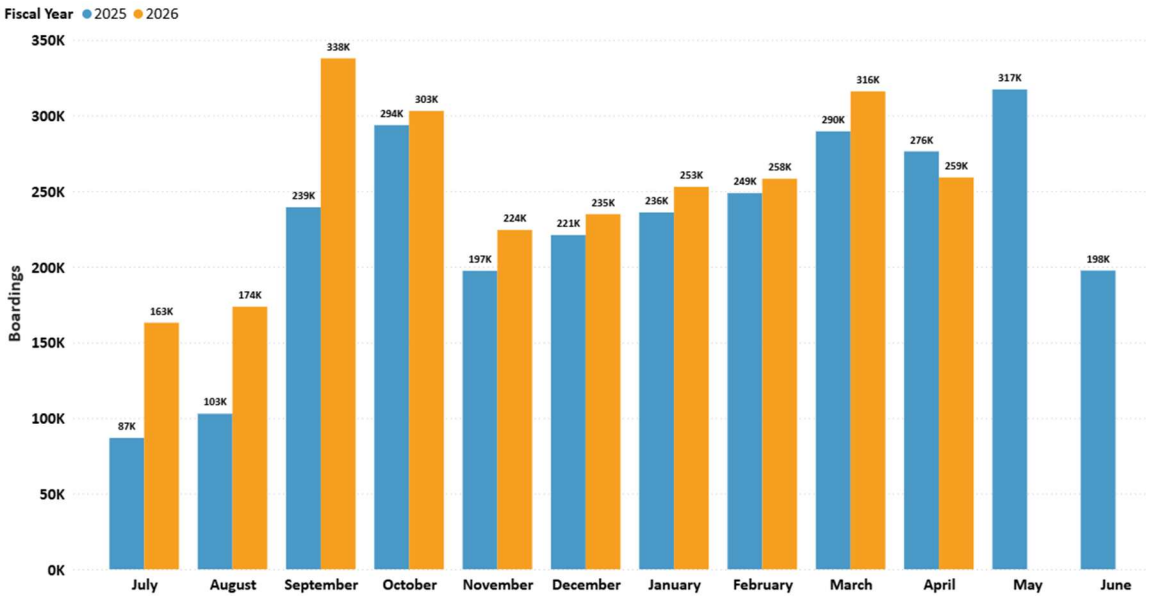
### PROGRAM IMPACT AND RIDERSHIP

As of April 30, 2026:

- Over 18,000 TAP cards are registered to participating students.

- Year to date, approximately **2.5 million boardings** are attributed to GoPass students in fiscal year (FY) 2026.

- Cumulative boardings across the program's lifespan exceed **10.3 million**.




The GoPass program has been a key driver in increasing ridership among K-12 and Community College students. It has also contributed to more equitable transportation access for students.

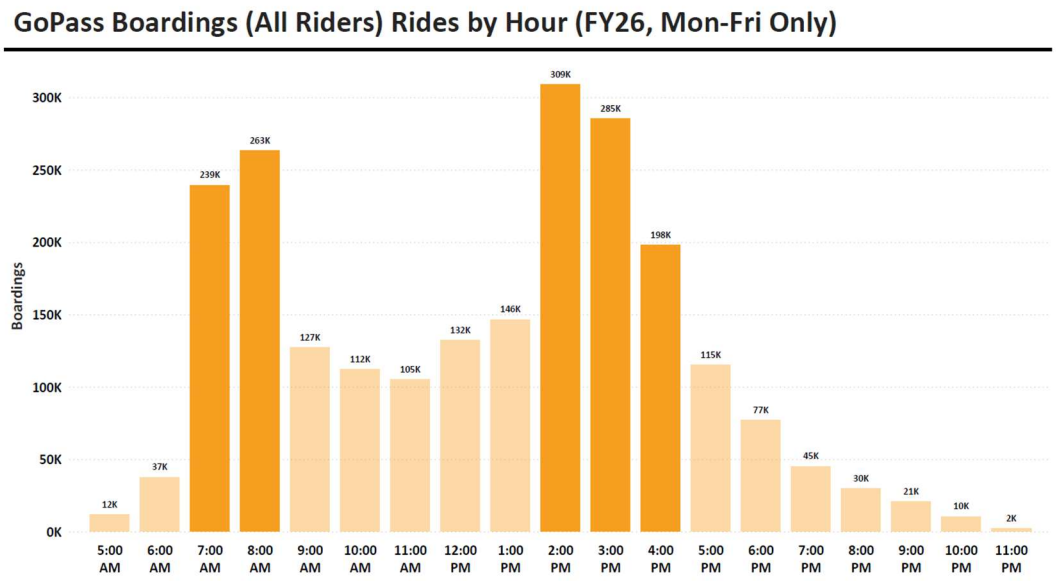
## FINANCIAL STRAIN AND OPERATIONAL IMPACT

Despite the ridership success, the GoPass program presents significant fiscal and operational challenges for LBT:

- **Revenue shortfall:** Since the program's inception, the ridership attributed to it has significantly outpaced the revenue generated. At the current contribution rate of $7 per student per year, LBT receives considerably less than it would under a standard fare model. With approximately 3.0 million GoPass total estimated boardings in FY26, the equivalent fare revenue at $1.25 per boarding would be around $3.7 million. In contrast, LBT's estimate of the revenue share from district contributions is expected to be $831K, indicating a substantial estimated annual loss in fare revenue of $2.9 million.

| Fiscal Year | Boardings | Actual Revenue | Base Fare Revenue | Revenue Loss |
|---|---|---|---|---|
| FY 2022 (Year 1) | 354,371 | $293,943 | $442,964 | ($149,021) |
| FY 2023 (Year 2) | 2,017,910 | $476,217 | $2,522,388 | ($2,046,171) |
| FY 2024 (Year 3) | 2,724,136 | $803,697 | $3,405,170 | ($2,601,473) |
| FY 2025 (Year 4) | 2,706,456 | $800,796 | $3,383,070 | ($2,582,274) |
| **FY 2026 (Year 5 est.)** | **2,991,980** | **$830,684** | **$3,739,975** | **($2,909,291)** |
| Total | 10,794,853 | $3,205,337 | $13,493,567 | ($10,288,230) |

- Operational pressure: The surge in student ridership has increased crowding, especially during peak school commute hours, requiring adjustments in scheduling and vehicle allocation.




- No dedicated long-term funding: Metro has not yet secured a sustainable revenue stream to support agencies in the continued implementation of GoPass. To date, no federal, state, or private funding has been secured to offset the increasing operational costs. Due to the uncertainty of future funding for the program, staff is requesting the LBT Board of Directors to approve LBT's participation for one year for the period covering July 1, 2026 until June 30, 2027.

## BUDGETARY/FISCAL IMPACT

School districts and transit agencies participating in the GoPass program share the cost of the pilot program. To participate, K-12 school and Community College districts are required to contribute $7 per student per academic year. However, a $2 fee for TAP cards will be deducted for each card distributed to students.

LBT staff, in coordination with the Government Relations department, continues to explore external grant funding opportunities and collaborate with Metro staff to secure long-term funding for the GoPass program.

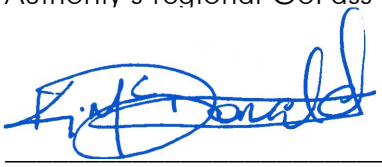
## ALTERNATIVES CONSIDERED

LBT considered opting out of the GoPass program for FY 2027. While this option would reduce financial pressures in the short term, it would also significantly restrict students' access to reliable transportation, particularly for those from low-income and underserved communities.

Furthermore, discontinuing participation would limit LBT's ability to understand and respond to the evolving mobility needs of the student population. Continuing participation allows the agency to remain engaged in regional transit equity efforts while actively seeking more sustainable funding solutions.

## STAFF RECOMMENDATION

Staff is requesting LBT's Board of Directors to authorize the President and CEO to extend Long Beach Transit's participation in Year 6 of the Los Angeles Metropolitan Transportation Authority's regional GoPass program until June 30, 2027.



Kenneth A. McDonald
President and Chief Executive Officer

## RECOMMENDED ACTION

To adopt the Fiscal Year 2027 Operating Budget of $145,900,869 and the Fiscal Year 2027 Capital Budget of $41,940,047.

## STAFF REPRESENTATIVE

Kenneth A. McDonald, President and CEO

## BACKGROUND

Each fiscal year (FY), Long Beach Transit (LBT) is required to present a balanced budget to the Board of Directors for adoption. The Operating Budget supports the agency's day-to-day functions, while the Capital Budget outlines long-term investments that ensure a state of good repair and the continued delivery of high-quality service to LBT customers.

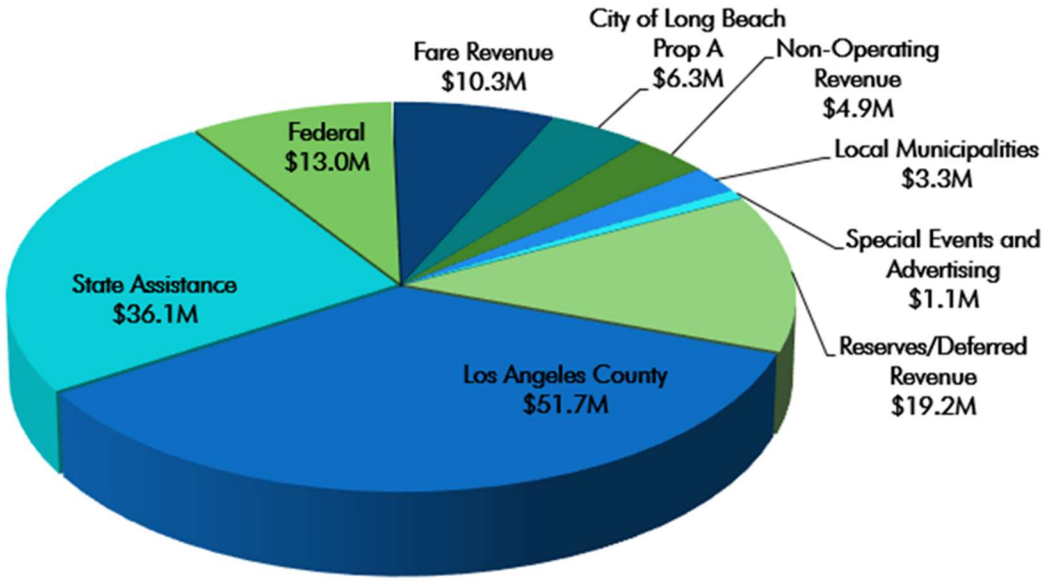
LBT's fiscal year runs from July 1 through June 30. The annual budget reflects a combination of known and projected expenditures alongside forecasted revenues. It serves as a financial blueprint to achieve the agency's strategic priorities through staff's ongoing commitment to sound stewardship, informed decision-making, and fiscal responsibility. Both the Operating and Capital Budgets need to be adopted prior to the start of the new fiscal year.

LBT is committed to maintaining the fiscal integrity of its Operating and Capital Budgets by ensuring they are balanced and aligned with the agency's long-term financial sustainability.

Each year, LBT submits its Operating and Capital Budgets to the Government Finance Officers Association (GFOA) for consideration under the Distinguished Budget Presentation Award program. This nationally recognized award honors budget documents that meet the highest standards in financial planning and communication, in accordance with best practices established by the National Advisory Council on State and Local Budgeting and GFOA.

Attached for the Board's review and consideration are LBT's proposed FY 2027 Operating and Capital Budgets.

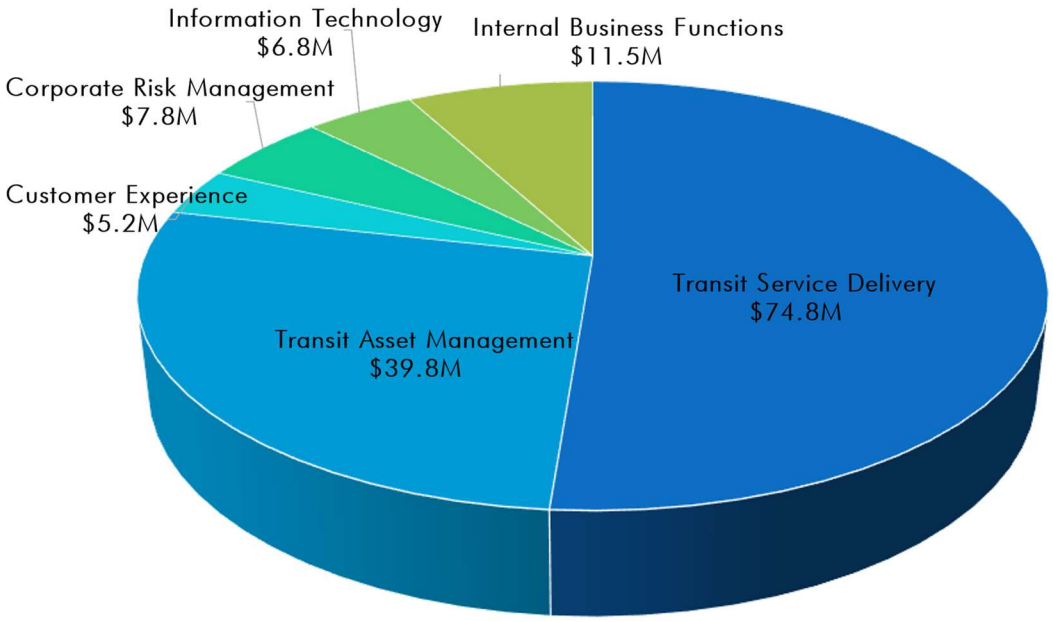
Captured below in the pie chart are LBT's projected revenue sources by dollar amount for FY 2027.




**$145.9 Million**

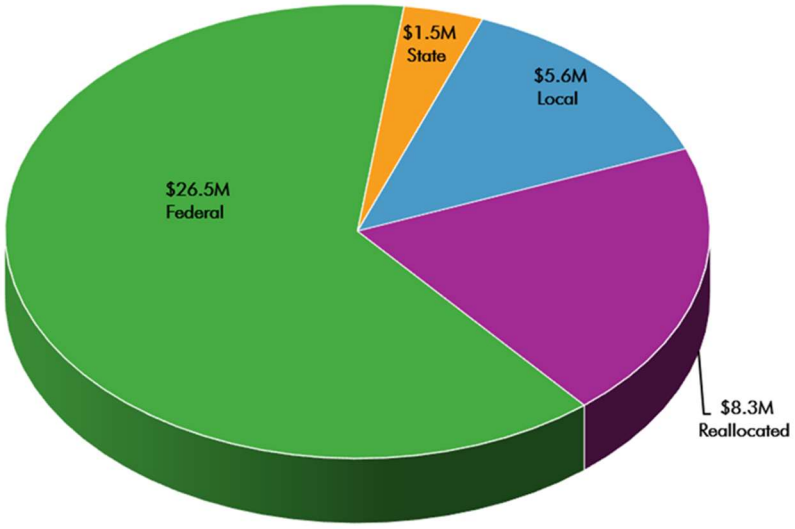
| Revenue Source | Amount | % of Total |
|---|---|---|
| Los Angeles County | $51,701,939 | 35.4% |
| State Assistance | $36,120,443 | 24.8% |
| Fare Revenue | $13,000,000 | 8.9% |
| Federal Preventative Maintenance | $10,337,757 | 7.1% |
| City of Long Beach Prop A | $6,290,231 | 4.3% |
| Federal (One-Time) | $4,851,747 | 3.3% |
| Non-Operating Revenue | $3,310,551 | 2.3% |
| Local Municipalities | $1,056,710 | 0.7% |
| Special Events and Advertising | $19,231,491 | 13.2% |
| Total: | $145,900,869 | 100.0% |

LBT's core business categories represent the agency's essential functions that support the delivery of transit service. Each department plays a critical role and must work collaboratively to achieve LBT's organizational goals. The chart below illustrates the proposed FY 2027 expenditures allocated to each core business category.



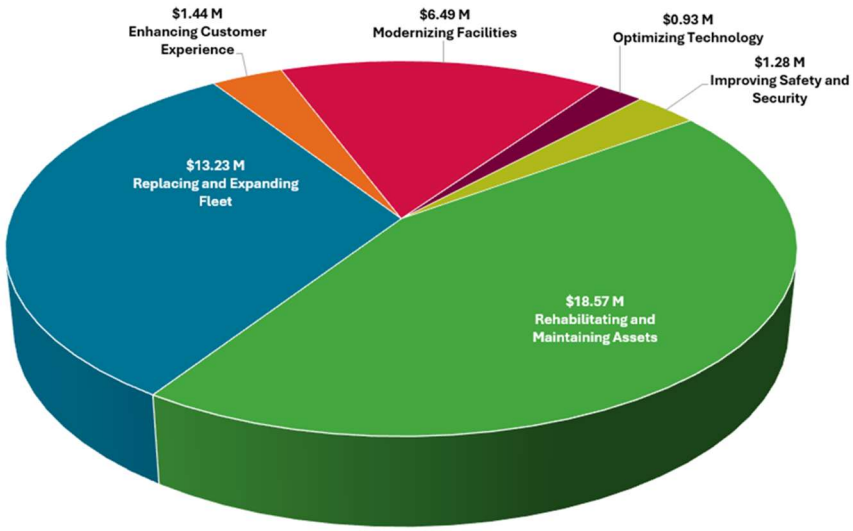

**$145.9 Million**

The proposed capital budget funding sources for FY 2027 is shown below.




**$41.9 Million**

The corresponding capital expenditures for FY 2027 is listed below.




**$41.9 Million**

## ALTERNATIVES CONSIDERED

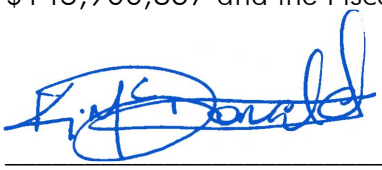
No alternatives were considered, as adoption of an annual budget is essential for LBT to carry out its daily operations and maintain fiscal responsibility.

## BUDGETARY/FISCAL IMPACT

Not Applicable

## STAFF RECOMMENDATION

Staff is requesting LBT's Board of Directors to adopt the Fiscal Year 2027 Operating Budget of $145,900,867 and the Fiscal Year 2027 Capital Budget of $41,940,047.



Kenneth A. McDonald
President and Chief Executive Officer

Attachment

# FY 2027 Budget Book

## LONG BEACH TRANSIT

LONG BEACH TRANSIT










# Table of Contents

## Statement from the Chief Executive Officer (CEO)

Statement from the CEO ..... i

## Agency Overview

About LBT ..... 1
History ..... 6
Community Partnerships ..... 8
Environmental Sustainability ..... 13
System Map ..... 14
Governance and Executive Leadership Team ..... 15
Organizational Focus ..... 17
Organizational Chart and Position Summary ..... 22
Departmental Overviews ..... 24
Organizational Key Performance Indicators ..... 26

## Budget Overview

Operating Budget Development Process ..... 33
General Economic Conditions ..... 35
Budget Environment ..... 38
Financial Policies ..... 39
Budget Foundations ..... 42
Budget Objectives ..... 43
Budget Programs and Achieving Customer Excellence ..... 44
Operating Budget Overview ..... 47
Operating Revenue Highlights ..... 48
Operating Expense Highlights ..... 52
Capital Budget Summary ..... 65
Capital Program ..... 68

# Table of Contents

FY 2025 Distinguished Budget Presentation Award ..... 70

## Operating Revenue

Sources of Operating Revenue ..... 71
Operating Revenue by Mode ..... 72
Descriptions of Operating Revenue ..... 74

## Operating Expenditures

Operating Budget Summary- All Departments ..... 79
Descriptions of Operating Expenses ..... 80

## Transit Service Delivery and Planning

Transit Service Delivery and Planning Budget Summary ..... 85
Transit Service Delivery ..... 86
Transit Service Planning ..... 87
Dial-A-Lift Services ..... 88
Water Taxi Services ..... 89
Security ..... 90
Training and Development ..... 91
Transit Service Delivery and Planning Administration ..... 92

## Transit Asset Management

Maintenance and Infrastructure Budget Summary ..... 93
Vehicle Maintenance ..... 94
Infrastructure ..... 96
Warehouse ..... 98
Contracts and Procurement ..... 99
Project Delivery and Contractor Management ..... 100
Maintenance Administration ..... 101

# Table of Contents

Fuel and Lubricants ..... 102

## Customer Experience

Customer Experience Summary ..... 103
Customer Relations and Communications ..... 104
Transit Customer Amenities ..... 105

## Risk Management

Risk Management Summary ..... 107
Risk Management ..... 108
Environmental Health and Safety ..... 110

## Information Technology

Information Technology ..... 111

## Internal Business Functions

Internal Business Functions Budget Summary ..... 113
Office of the CEO ..... 114
Office of the Deputy CEO ..... 115
Finance and Budget ..... 116
Government Relations ..... 117
Organizational Development and Administration ..... 118
Programs and Performance Management ..... 119

## Capital Program

Capital Budget Overview ..... 121
Capital Program Funding Sources ..... 128
Capital Projects Allocation ..... 130
Net Position ..... 132

# Table of Contents

Capital Projects Update ..... 133

Glossary

Glossary ..... 139

Acronyms ..... 140

# STATEMENT FROM THE CEO

# Statement from the CEO
# May 2026

*"Sustaining LBT's future through Discipline, Partnership and Strategic Leadership."*



As we enter Fiscal Year 2027, Long Beach Transit continues to deliver on its mission and connect our community with safe, reliable and customer focused service.

This year's budget reflects a balanced financial plan that is achieved through disciplined management, targeted investments, use of prior long-term savings and a commitment to stable operational excellence.

Our operating revenue shows modest changes driven by diminishing and challenging local and state economies and uncertainty with federal funding sources. LBT expenditures continue to reflect the realities of a labor-intensive transit system, with more than 70 percent of the $145.9 million operating budget tied directly to the wages and benefits for delivering daily transit services.

Simultaneously, our capital program of $41.9 million is designed to strengthen LBT's foundation by reinvesting in fleet modernization, infrastructure maintenance, customer amenities, safety enhancements and essential technology to augment the core business categories that propels daily service delivery.

Outside of FY 2027 balanced budget, LBT's broader financial landscape presents real challenges. Subsidy revenues are tracking below expectations while inflationary pressures continue to elevate operating costs. At the same time, the agency's five-year outlook makes clear that FY27 is a pivotal year, one that demands proactive decision making to ensure long term financial sustainability. Over that same five-year horizon, our projections show widening structural deficits and a declining reserve position that could fall below Agency policy absent corrective action.

These pressures require us to evaluate and activate a set of direct strategic levers to manage the agency's future. These levers include, but are not limited to, the following:

- Strong state and federal advocacy to stabilize transit funding
- Responsible revenue actions, including fare adjustments with equity considerations
- Employee cost strategies that protect service while maintaining transparency with labor partners
- Review of spending commitments and projects
- Operational efficiencies that reduce costs while preserving core mobility for our customers
- Service adjustments that align with our fiscal realities

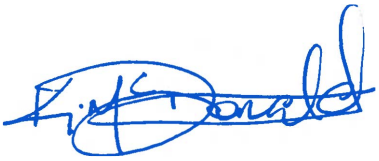
# Statement from the CEO
# May 2026 (cont'd)

The path ahead will be difficult and can only be addressed with a realistic approach, strong leadership and shared commitment to guide the organization through the financial challenges we are facing beyond FY 2027. My commitment as CEO, in FY 2027, is to manage within 96-98 percent of planned budget spending to protect our reserves while maintaining service reliability.

For long-term organizational sustainability, we must all work together – Executive Committee, Board of Directors, Executive Leadership Team, and Labor partners – to make focused, disciplined decisions that strengthen our financial position, preserve the jobs of all employees and continue to deliver the quality of service our community deserves.

This balanced budget affirms our commitment to safeguarding Long Beach Transit's future even as we navigate mounting fiscal challenges.

I look forward to our continued work together as we reassess and chart the sustainable path for our transit agency.



Kenneth A. McDonald
President and Chief Executive Officer
Long Beach Transit

# AGENCY OVERVIEW

# About LBT




Long Beach Transit (LBT or the agency) provides public transportation services in southeastern Los Angeles County and northwestern Orange County. In Fiscal Year (FY) 2025, LBT provided 19.6 million customer boardings while operating 6.6 million service miles and nearly 667 thousand service hours across 36 fixed routes. LBT's 255 bus fleet serves a 107-square-mile area across 14 cities and is guided by more than 800 engaged employees.

LBT serves a diverse customer base, with 71% of its core customers relying on transit as their only transportation option. These customers depend on LBT to primarily access employment and education.

Each year, LBT conducts Customer and Community Evaluation Surveys throughout its service area. These surveys gather insights into ridership patterns and assess both current and potential customers' awareness and attitudes toward LBT services. The following charts highlight key findings from the Fall 2025 survey.



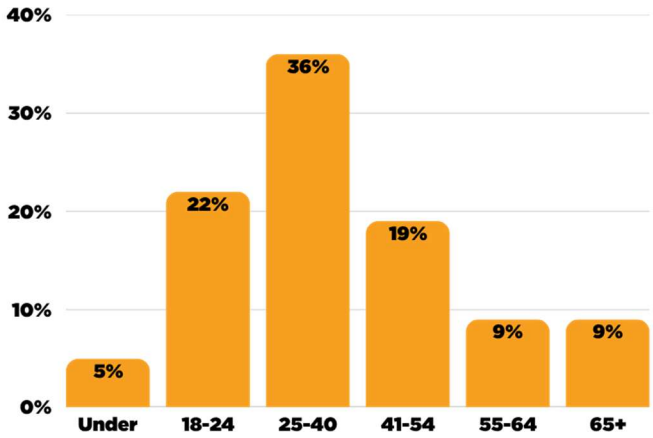





# LBT Customer Demographics

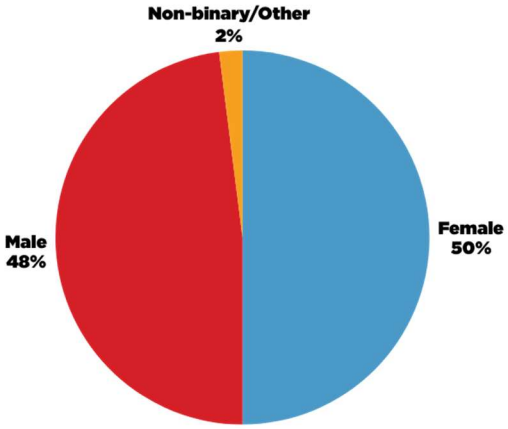
## Customer Age

**63% of customers are under the age of 40.**



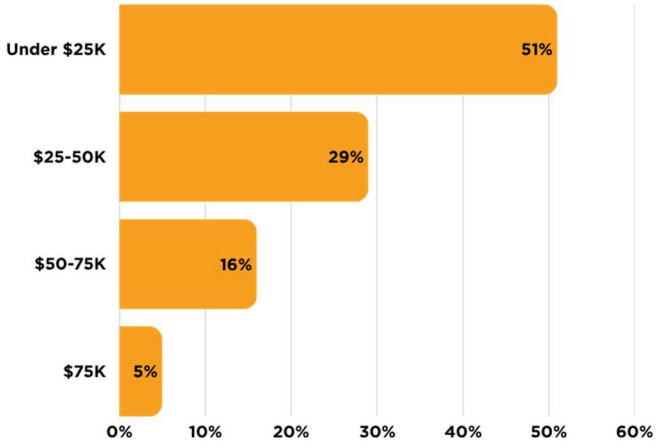

## Customer Gender

**Self-Identified gender.**




## Household Income

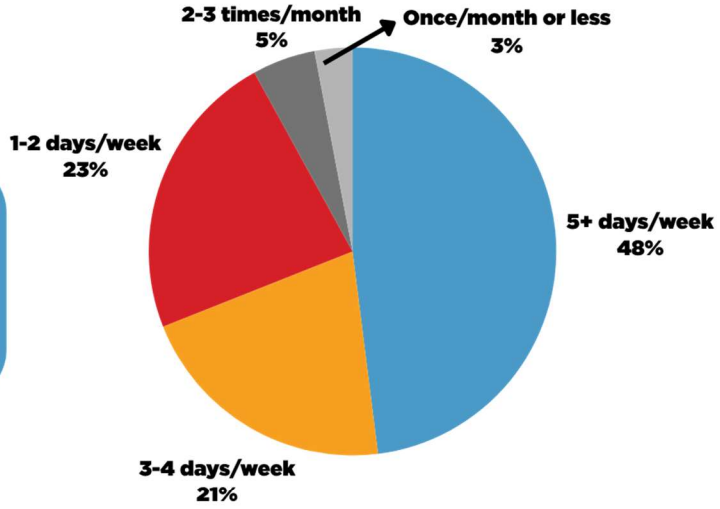
**80% earn less than $50K annually.**



# LBT Customer Travel

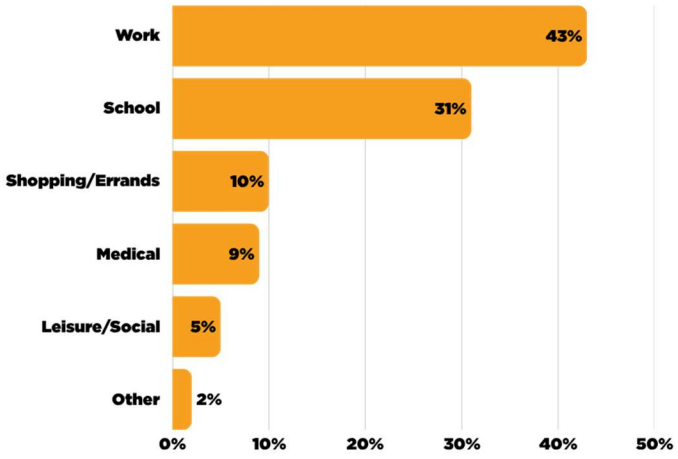
## Travel Frequency

**92% of customers ride at least 1-2 days per week.**



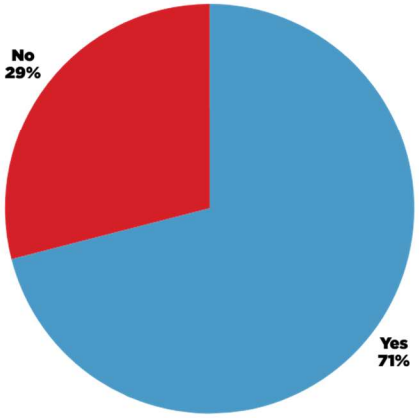

## Trip Purpose

**74% rely on LBT for work and school.**




## Travel Option

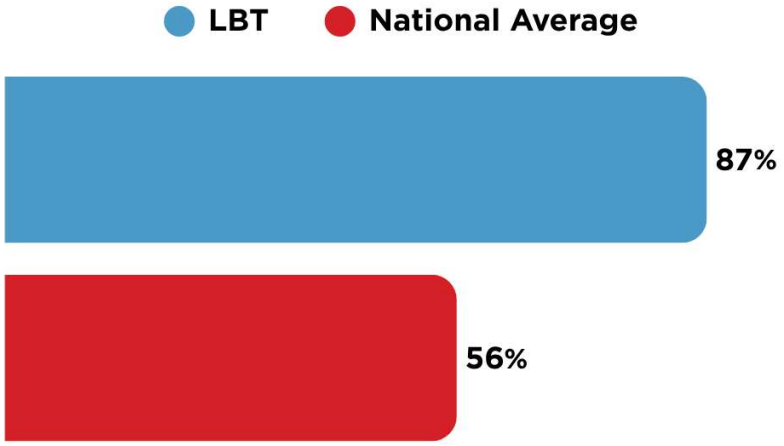
**71% rely on LBT as their only transportation option.**



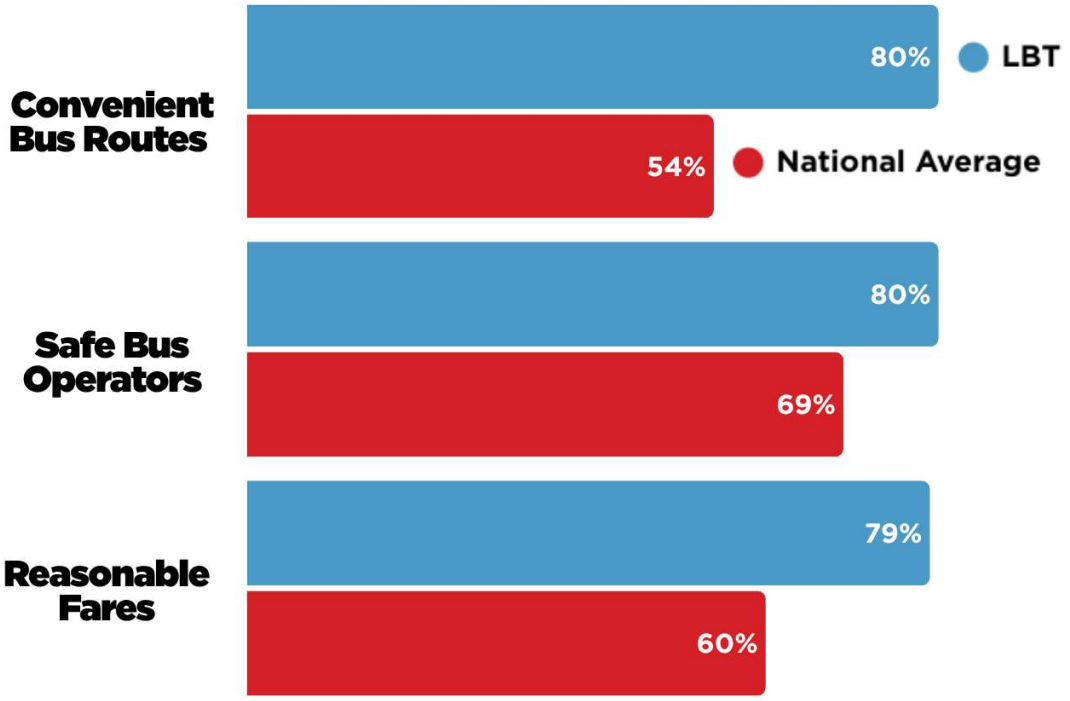
# What our Customers Shared

## Overall Service Satisfaction

**87%** of customers are satisfied or very satisfied with LBT service.




## Satisfaction Ratings



Page intentionally left blank

# History

## 1963




Articles of Incorporation for Long Beach Public Transportation Company are approved.

## 1974




- New administration building at Anaheim street and Cherry Avenue is built. Presently referred to as LBT1.
- First electric-battery powered bus goes into service.

## 1975

Dial-A-Lift begins services for customers with disabilities, fifteen years before the adoption of the Americans with Disabilities Act.

## 1978

LONG BEACH TRANSIT

The company is rebranded to Long Beach Transit (LBT).

## 2018



- LBT partners with POW!WOW! to support local art and artists and creates the first mural bus.
- LBT expands services into the City of Paramount.

## 2016



- LBT updates its mission to "Dedicated to connecting communities and moving people...making everyday life better."
- Battery-electric buses go into service for the downtown Passport route.

## 2014




LBT begins partnership with Transit Access Pass (TAP) to provide paperless payment methods to customers.

## 2020




LBT pledges to become a zero-emission bus transit system ahead of California's 2040 zero-emission goal.

## 2021

LBT expands service with four new routes in the City of Carson.

CARSON California
POWERED BY LONG BEACH TRANSIT

## 2022



- The operating fleet consists entirely of alternatively fueled buses.
- LBT adds Route 141, its longest east-west corridor, to replace a former LA Metro bus route.

# History (cont'd)

## 1982




The Transit Mall in downtown Long Beach is completed and the Transit Information Center opens the following year.

## 1998

The Jackson Transit Center, a second operations facility also known as LBT2, opens in North Long Beach.

## 2001



- AquaLink water taxi begins service, connecting five miles of shoreline between Alamitos Bay and downtown.
- Passport buses begin service, replacing what was initially called the Runabout.

## 2004

MUSEUM EXPRESS

LBT launches Museum Express, the organization's first special service, that provides rides to Los Angeles-area arts and culture venues.

## 2008



LBT and California State University, Long Beach partner to launch the "U-Pass program," the organization's first student program.

## 2009



The Transit & Visitor Information Center opens at the Transit Mall at 1st Street and Pine Avenue.

## 2012

- First Gillig compressed natural gas buses go into service.
- The fleet grows to 250 buses.

## 2013




LBT celebrates 50 years of moving the community forward.

## 2023




- LBT embarks on modification program to expand its facilities and Zero-emission fleet.
- LBT moves administrative staff to new corporate offices on Airport Plaza Drive.
- LBT celebrates 60 years of connecting communities.

## 2024



LBT adds five Battery-electric coach buses to serve its special service routes, including the Museum Express and UCLA/Westwood Commuter Express.

## 2025



- The American Public Transportation Association (APTA) selects Kenneth A. McDonald as 2025 Outstanding Public Transportation CEO.
- LBT celebrates Dial-A-Lift's 50th Anniversary, providing transportation for people with disabilities.

## TRANSIT OPERATIONS AND SERVICE TYPES

Long Beach Transit operates a comprehensive public transportation system delivering safe, reliable, and accessible mobility options across its service area. The agency provides a diverse range of services designed to meet the needs of residents, commuters, and visitors:

### Fixed-Route Bus Service

- Fleet of 255 buses
- Includes 5 battery-electric coach buses

### Demand-Responsive Paratransit (Dial-A-Lift)

- 6 ADA-accessible compressed natural gas (CNG) vehicles
- 4 ADA-accessible battery-electric vehicle

### Water Taxi Service

- 2 AquaBus vessels
- 2 AquaLink high-speed catamarans

### Special Services

- Galaxy Express
- Museum Express

### Commuter Service

- UCLA/Westwood Commuter Express

## SERVICE AREA

LBT's service area spans more than 107 square miles and includes the cities of Long Beach, Lakewood, Signal Hill, Artesia, Bellflower, Carson, Cerritos, Compton, Downey, Hawaiian Gardens, Los Alamitos, Norwalk, Paramount, and Seal Beach. Approximately 800,000 residents live within one-quarter mile of an LBT bus stop, reflecting the system's extensive community reach.

The Dial-A-Lift paratransit service is available in Long Beach, Lakewood, Paramount, and Signal Hill, ensuring mobility for eligible customers with disabilities.








## ACCESSIBILITY

All LBT fixed-route buses, coaches, and water taxi vessels are 100% accessible to individuals using mobility devices.

## WATER TAXI SERVICES

AquaBus

- Two 40-passenger vessels operating within Long Beach Harbor
- Connects major waterfront destinations, including the Queen Mary, Aquarium of the Pacific, and Shoreline Village

AquaLink

- Two 75-passenger high-speed catamarans operating along the Long Beach Bay
- Provides service across the Long Beach coastline between Rainbow Harbor and Alamitos Bay Landing

LBT's commitment to connecting communities and moving people is reflected in its strategic priority of promoting community and industry focus. The agency's outreach initiatives aim to

enhance customer experience, support local organizations, and ensure equitable access to public transportation.

## COMMUNITY SPECIAL SERVICES

- Community Event Support

  LBT actively participates in and supports events across its service area through sponsorships, in-kind donations, and the presence of resource booths.
- Community Charters

  LBT offers charter services using its bus and water taxi fleets to support transportation needs for community programs and local events.
- Museum Express

  Launched in July 2017, LBT continues to connect the local communities to the arts and sciences in the Los Angeles region.
- First Street Transit Gallery

  The First Street Transit Gallery is activated throughout the year with public art installations created by community members. The gallery is a collaborative effort with local educational and cultural institutions, enriching the experience of both customers and the broader public in Downtown Long Beach.

## DIRECT OUTREACH, RESOURCES AND PROGRAMS

- Connecting with Older Adults

  LBT's Community Relations team provides year-round presentations, "Bus 101" training trips, and TAP card enrollment drives at senior centers, senior housing communities, and events tailored to older adults.
- Connecting with Students

  Outreach extends from elementary to university levels, informing students about LBT services and student fare programs. Engagement takes place both on campuses and at youth-focused community events.

- GoPass

  Launched in FY 2022, GoPass is a partnership program which provides complimentary transit passes to students to help reduce educational costs and improve access. All students at Long Beach Unified School District, Long Beach City College, and students attending participating school districts in Los Angeles County benefit from this program.

- Go Beach! Pass

  A discounted university fare program for students, faculty, and staff, the Go Beach! Pass offers unlimited rides on LBT buses throughout the academic year at CSU, Long Beach.

- Multilingual Outreach

  LBT supports its multilingual service area with translated materials, multilingual staff, and live third-party interpretation services, ensuring equitable access to information and resources.

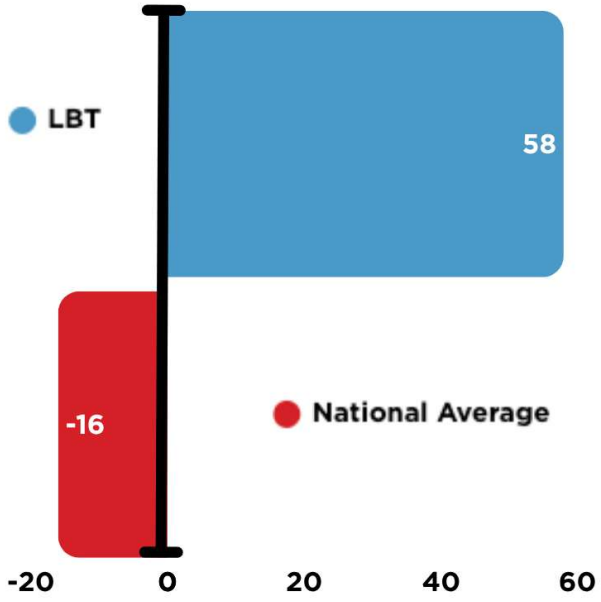



## REGIONAL TRANSIT ACCESS PASS (TAP)

- LBT transitioned to the TAP system in February 2014. The TAP card is a durable, eco-friendly smart card that improves the rider experience through ease of use and regional fare integration.
- The TAP card and mobile app allow customers to purchase and load fare products electronically and travel seamlessly across all TAP-enabled transit systems throughout Los Angeles County.

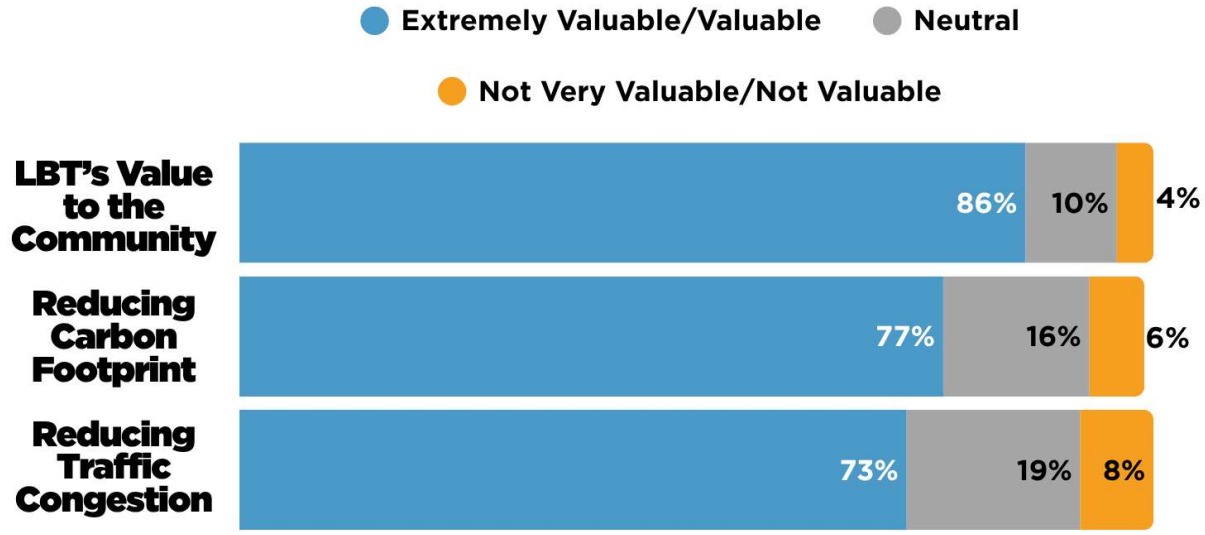
# Community Partnerships (cont'd)

## LBT's Net Promoter Score

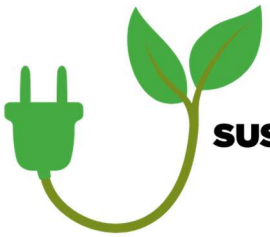



Our Net Promoter Score of 58 means customers are highly satisfied with our service and are very likely to recommend it to others—placing us well above the national average for public transit agencies.

## What our Community is Saying About us



# Environmental Sustainability



## SUSTAINABLE FLEET PROGRAM

Long Beach Transit is dedicated to making everyday life better by advancing sustainable transit initiatives that benefit both the environment and the communities it serves.

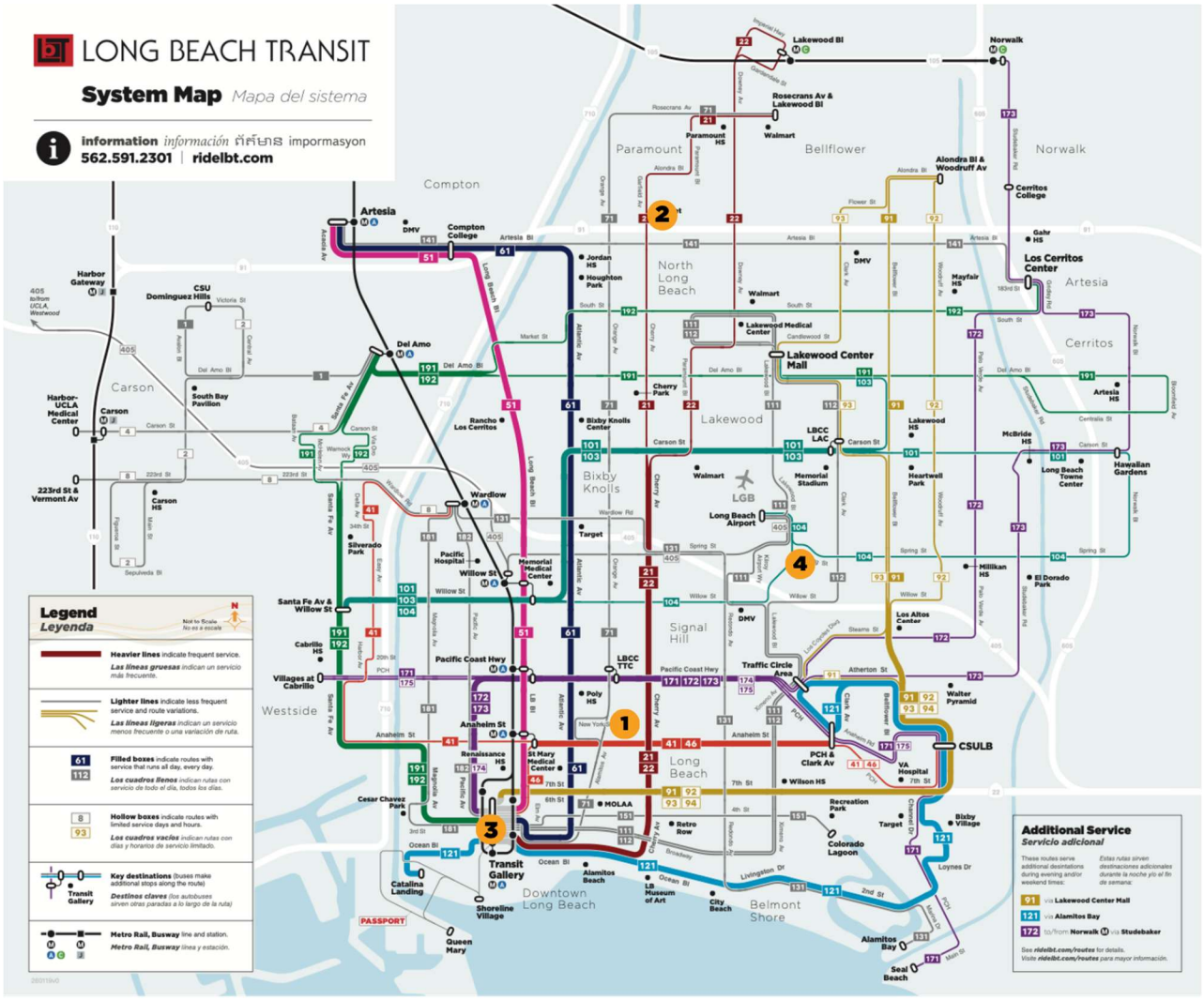
As part of this commitment, LBT's Board of Directors adopted the Zero-Emission Bus (ZEB) Rollout Plan on June 25, 2020, which was subsequently submitted to the California Air Resources Board (CARB). This plan guides LBT's transition toward a zero-emission future, ensuring fleet decisions are informed by operational performance, infrastructure readiness, funding availability, and total cost of ownership. As technologies mature and market conditions evolve, LBT remains committed to propulsion strategies that support reliability, service continuity, and responsible financial stewardship.

While LBT's regular fixed-route fleet totals 255 vehicles, the agency is also retaining additional buses to support special events, like the LA28 Olympics, and maintain service flexibility.

### Fiscal Year 2026 Fixed-Route Fleet Composition:

- 74 Battery-electric buses (BEBs)
- 5 Battery-electric coach buses
- 79 Hybrid-electric buses
- 125 Compressed natural gas buses

# System Map




## Facilities:

**1 LBT1**
1963 E. Anaheim Street
Operating and Maintenance Headquarters

**2 LBT2**
6860 Cherry Avenue
Operating and Maintenance Facility

**3 Transit & Visitor Information Center (TVIC)**
130 E. First Street
Customer Service and Storefront

**4 LBT Corporate Offices (LBTCO)**
4801 Airport Plaza Drive
Administrative Headquarters

## BOARD OF DIRECTORS



**Abigail Mejia**
Chair



**Raul Añorve**
Vice Chair



**Randy Rawlings**
Secretary/Treasurer



**James Ahumada**
Director



**Eduardo Angeles**
Director



**Carl Kemp**
Director



**David Sutton**
Director



**Joshua Hickman**
City Representative



**Christopher Koontz**
City Representative

## EXECUTIVE LEADERSHIP TEAM



**Kenneth A. McDonald**
President and CEO



**Kimberly M. Yu**
Deputy CEO



**Vincent C. Ewing**
General Counsel



**Elizabeth Brown**
Executive Director/VP,
Organizational Development
and Administration



**Lee Burner**
Executive Director/VP,
Transit Service Delivery
and Planning



**Pretty George**
Executive Director/VP,
Information Technology



**Mike Gold**
Executive Director/VP,
Customer Relations
and Communications



**Lisa Patton**
Executive Director/VP,
Finance and Budget



**James Scott**
Executive Director/VP,
Maintenance and
Infrastructure

# Organizational Focus

As Long Beach Transit continues its transformation under the guidance of the Executive Leadership Team (ELT), it is essential that all employees understand and embrace the structural framework established to achieve the agency's mission. By working collaboratively and aligning with these guiding principles, employees play a critical role in advancing LBT's vision of becoming a world-class transportation organization.



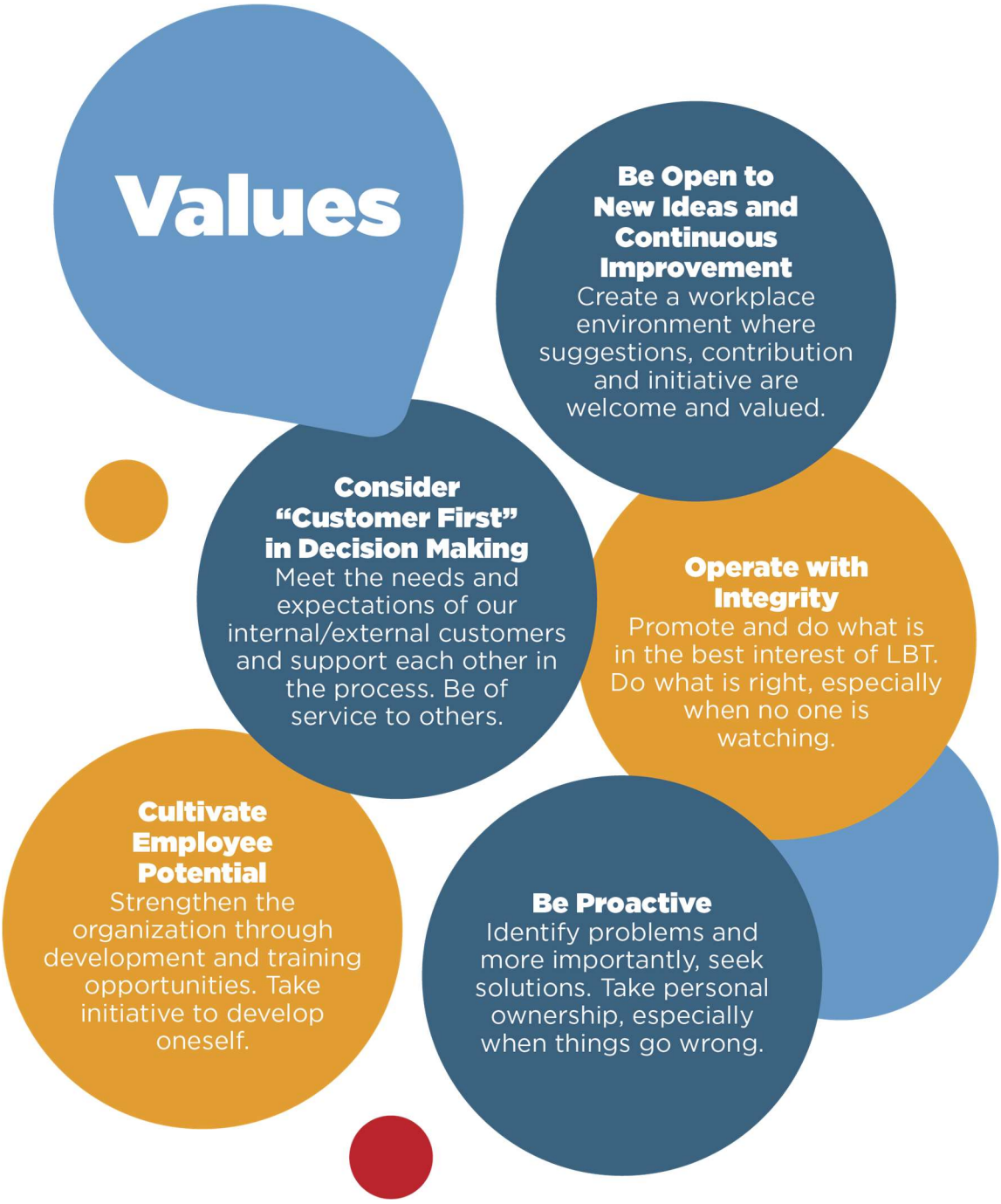

*The Vision is an aspirational description of what LBT endeavors to achieve in the long term.*

# Organizational Focus (cont'd)




*The Mission is a succinct declaration of LBT's core purpose and what the agency sets out to accomplish.*

# Organizational Focus (cont'd)




*The Values are LBT's important and lasting beliefs and ideals.*

# STRATEGIC PRIORITIES

The functional pillars used to plan, develop, evaluate and measure the agency's annual objectives are the six strategic priorities:



# LEADERSHIP COMPETENCIES

The Leadership Competencies below are skill sets required of the CEO to effectively lead the agency.

## CHIEF EXECUTIVE OFFICER

- Visionary and Drives Innovation
- Builds and Leads High-Performance Teams
- Organizational Communication, Strategic Narrative
- Organizational Stewardship
- Decision-Making Quality and Analysis
- Stakeholder Management, Politically Astute, Ability to Negotiate through Competing Agendas
- Flexibility and Agility

The Leadership Competencies below are skill sets needed to effectively lead a team within LBT.

The first five competencies are required of the Executive Leadership Team; however, the ELT is expected to exhibit and focus on all 10 Leadership Competencies. The second set of competencies are expected of LBT managers and frontline supervisors.

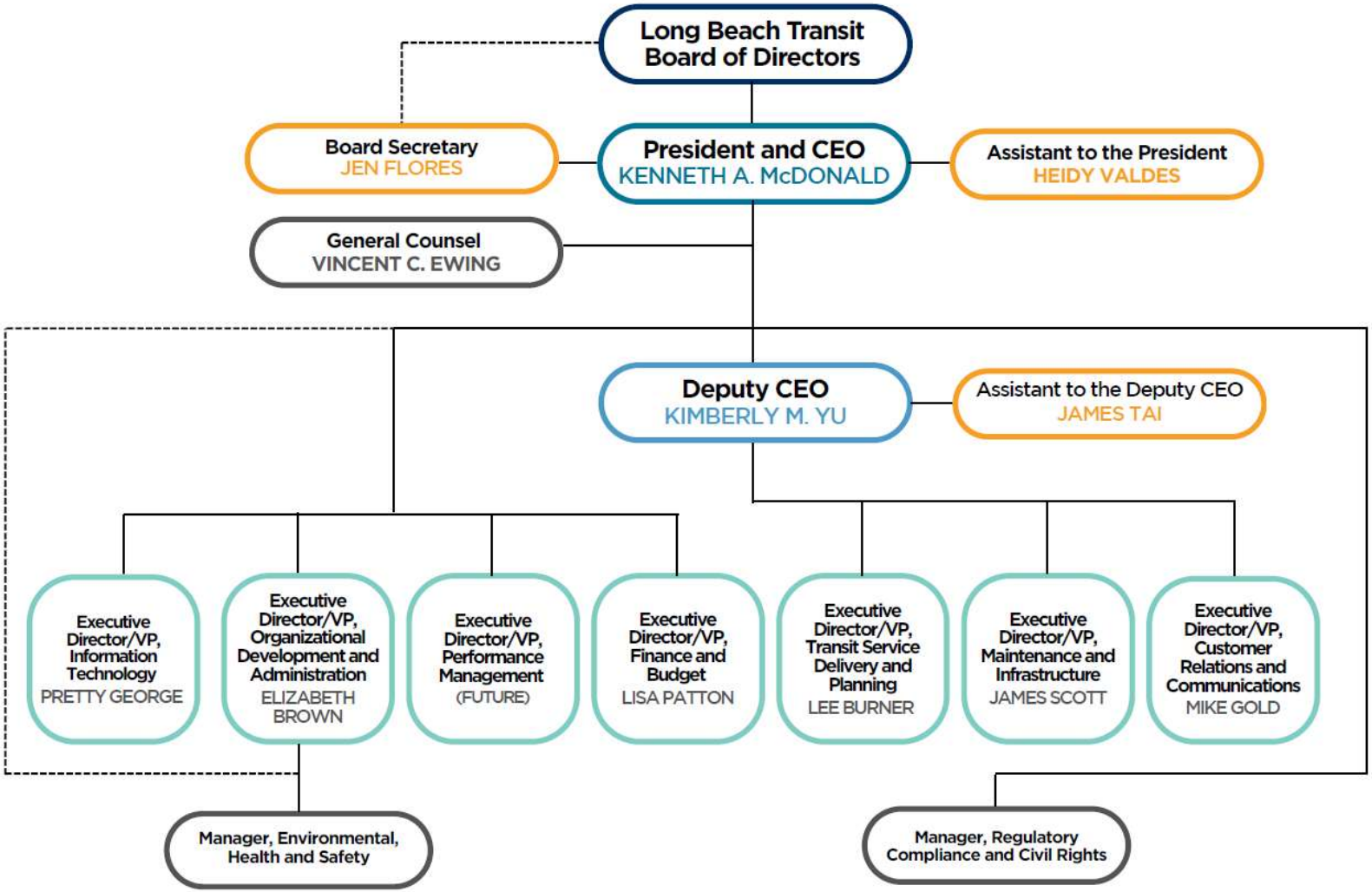
## EXECUTIVE LEADERSHIP TEAM

- Organizational Stewardship
- Building and Leading a High-Performing Team
- Stakeholder Management
- Emotional Intelligence
- Flexibility and Agility

## ELT AND MANAGEMENT TEAMS

- Operational Excellence
- Coach, Motivate, and Develop Employees
- Manage Employee Performance
- Communicate and Inform
- Problem Solving

# Long Beach Transit Organizational Chart



# Position Summary

Based on the functional areas in which the budget is organized, below is a summary of the budgeted positions over three fiscal years.

| | FY 2025 | FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| **Transit Service Delivery** | | | |
| Daily Transit Service Delivery | 531 | 531 | 531 |
| Transit Service Planning | 16 | 16 | 16 |
| Dial-A-Lift Services | 1 | 1 | 1 |
| Aqua Services | -- | -- | -- |
| Security | 1 | 1 | 1 |
| Training and Development | 10 | 10 | 10 |
| Administration | 3 | 3 | 3 |
| | 562 | 562 | 562 |
| **Transit Asset Management** | | | |
| Vehicle Maintenance | 113 | 113 | 113 |
| Infrastructure | 20 | 20 | 20 |
| Warehouse | 12 | 12 | 12 |
| Contracts and Procurement | 5 | 5 | 5 |
| Project Delivery and Contracts | 3 | 3 | 3 |
| Administration | 5 | 5 | 5 |
| | 158 | 158 | 158 |
| **Customer Experience** | | | |
| Customer Relations and Communications | 23 | 23 | 23 |
| Transit Customer Amenities | 14 | 14 | 14 |
| | 37 | 37 | 37 |
| **Risk Management** | | | |
| Risk Management | 3 | 3 | 3 |
| Environmental Health and Safety | 4 | 4 | 4 |
| | 7 | 7 | 7 |
| **Information Technology** | | | |
| Information Technology | 15 | 15 | 16 |
| | 15 | 15 | 16 |
| **Administration** | | | |
| Office of the CEO | 4 | 4 | 4 |
| Office of the Deputy CEO | 3 | 3 | 3 |
| Finance and Budget | 25 | 25 | 25 |
| Government Relations | 2 | 2 | 2 |
| Organizational Development and Administration | 13 | 13 | 13 |
| Programs and Performance Management | 1 | 1 | 1 |
| | 48 | 48 | 48 |
| **Internship Program** | 26 | 29 | 28 |
| **Total Positions** | 853 | 856 | 856 |

Staffing changes in FY 2027:

- One (1) Information Technology position added.
- One (1) intern position reduced.

## OFFICE OF THE CEO

The Office of the CEO provides strategic leadership and oversight for all aspects of Long Beach Transit. The CEO is responsible for planning, developing, and guiding the agency's policies, goals, and objectives. In collaboration with the Board of Directors, the CEO helps shape and implement policy decisions, ensures sound financial management, and represents LBT in coordination with external stakeholders, regional partners, and government officials. The Office of the CEO also leads the agency's government relations efforts to advocate for supportive legislation, secure funding opportunities, and advance LBT's strategic priorities.

## OFFICE OF THE DEPUTY CEO

The Office of the Deputy CEO oversees LBT's frontline operations, ensuring efficient transit service delivery and coordination across key operational functions. Responsibilities include managing bus operations, maintenance and infrastructure, project development, customer relations and communications, and transit customer amenities. Being a thought partner with the CEO on strategic priorities, corporate initiatives, and organizational projects.

## MAINTENANCE AND INFRASTRUCTURE

The Maintenance and Infrastructure department manages LBT's physical assets across four core areas: fleet maintenance, infrastructure, quality assurance, and vehicle acquisition. It ensures that all revenue and non-revenue vehicles meet safety and regulatory standards, while maintaining facilities and vehicles in like-new condition. The team emphasizes environmental sustainability and tracks performance metrics such as mileage, utility usage, and parts compatibility review.

## TRANSIT SERVICE DELIVERY AND PLANNING

The Transit Service Delivery and Planning department oversees the design and execution of LBT's transportation services. This includes route planning, bus and paratransit operations, water taxi service, and transit security. The department ensures reliable, accessible, and customer-focused service across the agency's multimodal transit network.

## CUSTOMER RELATIONS AND COMMUNICATIONS

The Customer Relations and Communications department builds and maintains strong connections with LBT's customers—both internal and external. The team manages customer service, public information, media relations, and sales support. It also leads customer engagement efforts through surveys, community intercepts, outreach events, and social media, while shaping LBT's marketing and communications strategies.

## INFORMATION TECHNOLOGY

The Information Technology department leads LBT's digital infrastructure, including hardware, software, cybersecurity, data storage, and network systems. The department ensures regulatory compliance, safeguards data integrity, and supports technology systems that enable efficient and secure agency operations.

## FINANCE AND BUDGET

The Finance and Budget department manages LBT's financial strategy, ensuring responsible stewardship of public funds. The team oversees accounting, budgeting, financial planning and reporting, grants, capital programming, payroll, fare revenue, procurement, and warehousing. It also leads agency-wide performance through the Key Performance Indicators Team while supporting interagency collaboration to enhance operational efficiency.

## ORGANIZATIONAL DEVELOPMENT AND ADMINISTRATION

The Organizational Development and Administration department leads the recruitment, development, and retention of a skilled and value-driven workforce. Core responsibilities include hiring, training, labor relations, employee benefits, risk management, safety, and environmental compliance. The department fosters an inclusive and empowered workplace culture that supports employee advancement.

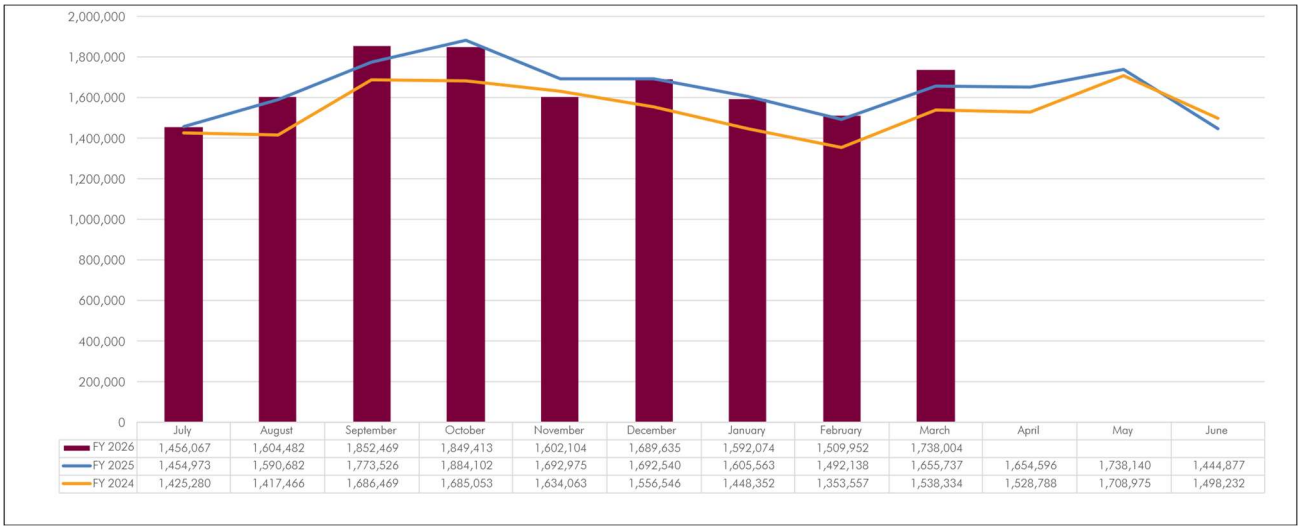
# Organizational Key Performance Indicators

## KEY PERFORMANCE INDICATORS

LBT's Key Performance Indicators (KPIs) provide a framework for measuring and evaluating agency performance across all departments. A cross-functional team of analysts collaborates to track progress, analyze data, and assess alignment with LBT's strategic priorities. Each KPI has a defined annual target and performance is measured against these benchmarks. On a quarterly basis, the team reviews results, identifies trends, and recommends actions for continuous improvement.

Below are examples of LBT's KPIs.

| STRATEGIC PRIORITY: IMPROVE SAFETY AND SERVICE QUALITY | | | | |
|---|---|---|---|---|
| RIDERSHIP | | | | |
| The number of boarding customers on fixed-route service | | | | |
| Performance Measure | Department | FY 2024 | FY 2025 | FY 2026 Q3 YTD* |
| Ridership | Transit Service Delivery and Service Planning | 18,481,115 | 19,679,849 | 14,894,200 |




*YTD = year-to-date
Q = quarter

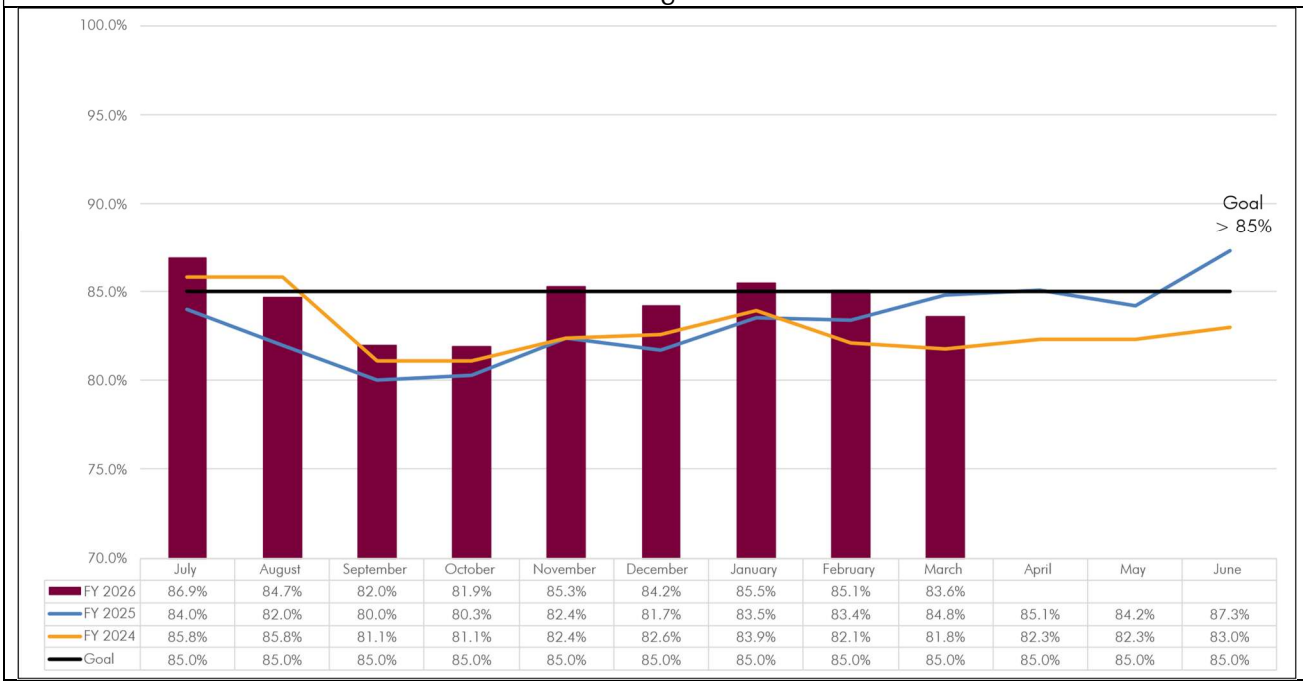
# Organizational Key Performance Indicators (cont'd)

## STRATEGIC PRIORITY: IMPROVE SAFETY AND SERVICE QUALITY

### ON-TIME PERFORMANCE

The percent of buses departing between one minute before and five minutes after the scheduled time

| Performance Measure | Goal | Department | FY 2024 | FY 2025 | FY 2026 Q3 YTD |
|---|---|---|---|---|---|
| On-Time Performance | >85% | Transit Service Delivery and Planning | 82.9% | 83.2% | 84.4% |




| | July | August | September | October | November | December | January | February | March | April | May | June |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY 2026 | 86.9% | 84.7% | 82.0% | 81.9% | 85.3% | 84.2% | 85.5% | 85.1% | 83.6% | | | |
| FY 2025 | 84.0% | 82.0% | 80.0% | 80.3% | 82.4% | 81.7% | 83.5% | 83.4% | 84.8% | 85.1% | 84.2% | 87.3% |
| FY 2024 | 85.8% | 85.8% | 81.1% | 81.1% | 82.4% | 82.6% | 83.9% | 82.1% | 81.8% | 82.3% | 82.3% | 83.0% |
| Goal | 85.0% | 85.0% | 85.0% | 85.0% | 85.0% | 85.0% | 85.0% | 85.0% | 85.0% | 85.0% | 85.0% | 85.0% |

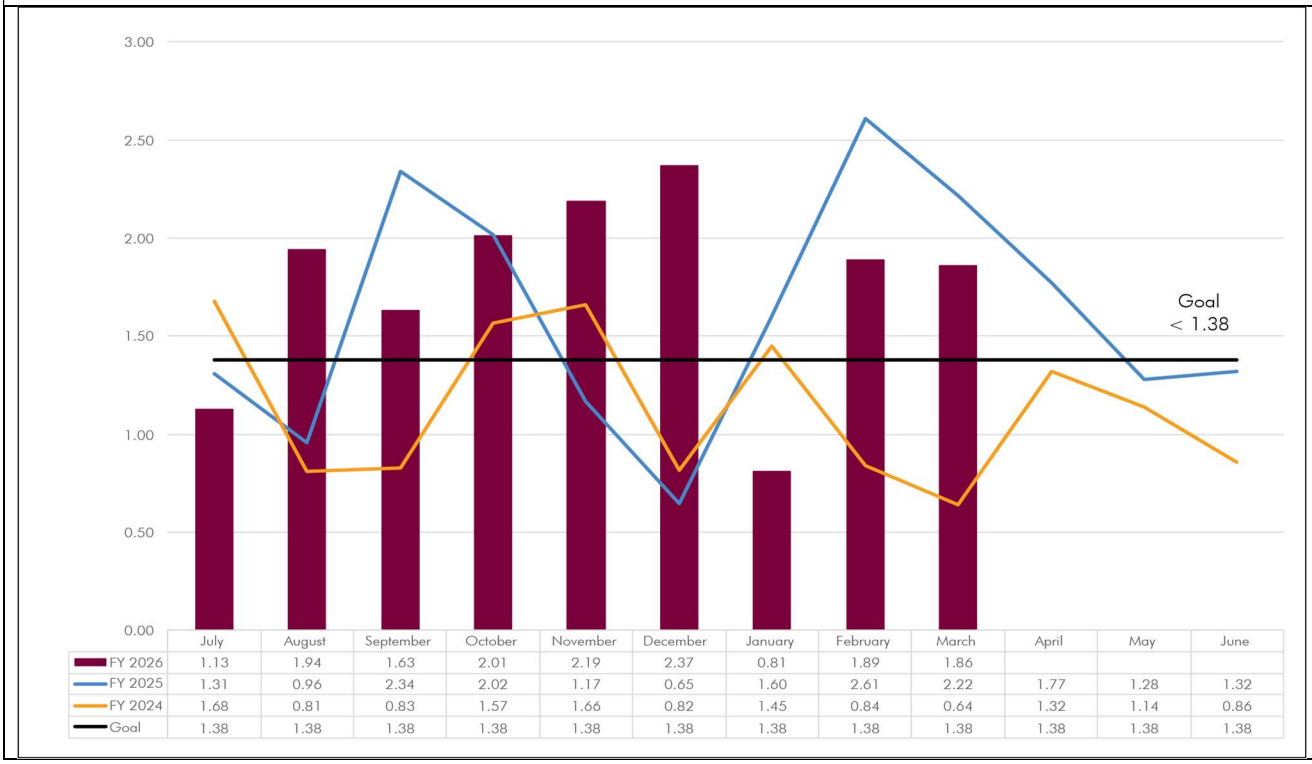
# Organizational Key Performance Indicators (cont'd)

## STRATEGIC PRIORITY: IMPROVE SAFETY AND SERVICE QUALITY

### PREVENTABLE ACCIDENTS PER 100K PLATFORM MILES

The number of preventable accidents occurring for every 100,000 miles driven

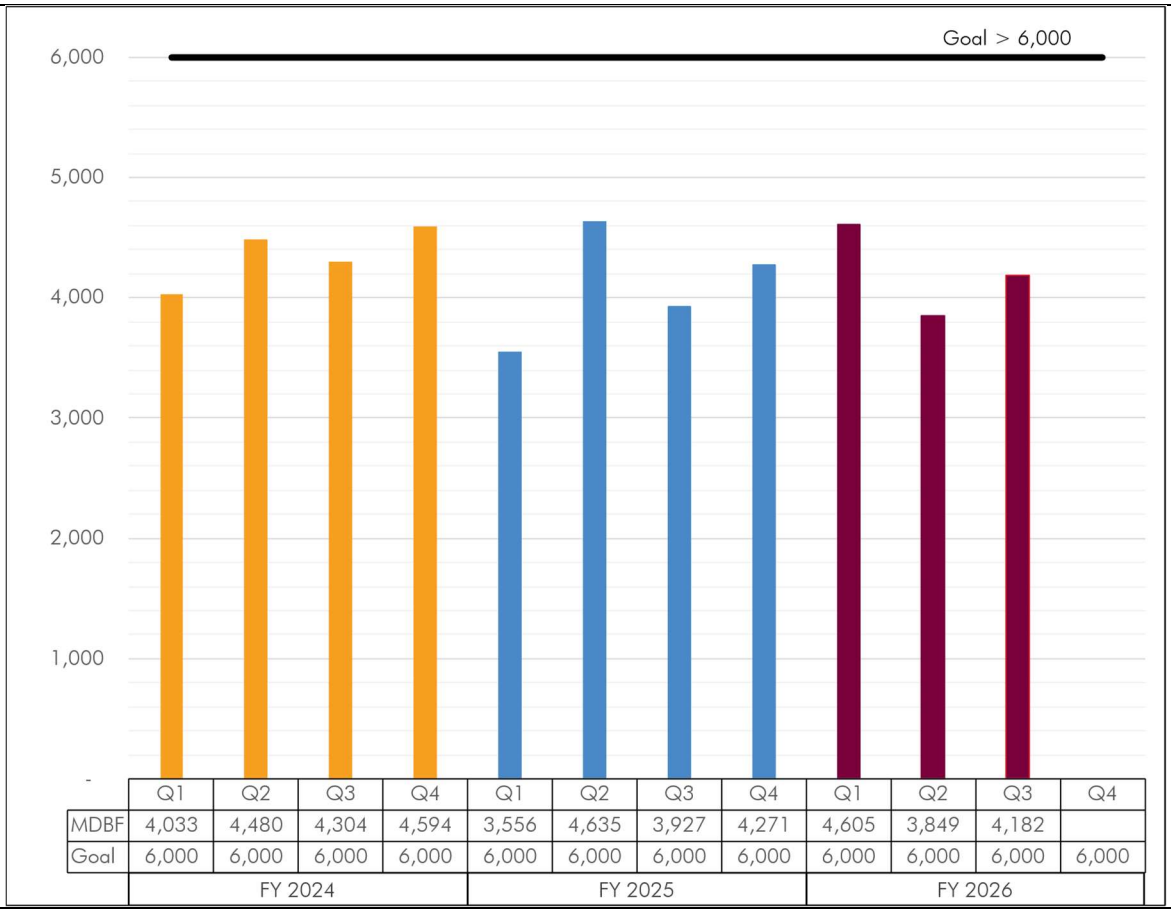
| Performance Measure | Goal | Department | FY 2024 | FY 2025 | FY 2026 Q3 YTD |
|---|---|---|---|---|---|
| Preventable Accidents per 100,000 Platform Miles | <1.38 | Risk Management | 1.14 | 1.60 | 1.76 |




| | July | August | September | October | November | December | January | February | March | April | May | June |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY 2026 | 1.13 | 1.94 | 1.63 | 2.01 | 2.19 | 2.37 | 0.81 | 1.89 | 1.86 | | | |
| FY 2025 | 1.31 | 0.96 | 2.34 | 2.02 | 1.17 | 0.65 | 1.60 | 2.61 | 2.22 | 1.77 | 1.28 | 1.32 |
| FY 2024 | 1.68 | 0.81 | 0.83 | 1.57 | 1.66 | 0.82 | 1.45 | 0.84 | 0.64 | 1.32 | 1.14 | 0.86 |
| Goal | 1.38 | 1.38 | 1.38 | 1.38 | 1.38 | 1.38 | 1.38 | 1.38 | 1.38 | 1.38 | 1.38 | 1.38 |

# Organizational Key Performance Indicators (cont'd)

| STRATEGIC PRIORITY: IMPROVE SAFETY AND SERVICE QUALITY | | | | | |
|---|---|---|---|---|---|
| MEAN DISTANCE BETWEEN FAILURES (MDBF) | | | | | |
| The average distance a bus travels before a system failure occurs causing the bus to be removed from service | | | | | |
| Performance Measure | Goal | Department | FY 2024 | FY 2025 | FY 2026 Q3 YTD |
| MDBF | >6,000 | Vehicle Maintenance and Infrastructure | 4,345 | 4,058 | 4,188 |




| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| MDBF | 4,033 | 4,480 | 4,304 | 4,594 | 3,556 | 4,635 | 3,927 | 4,271 | 4,605 | 3,849 | 4,182 | |
| Goal | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| | FY 2024 | | | | FY 2025 | | | | FY 2026 | | | |

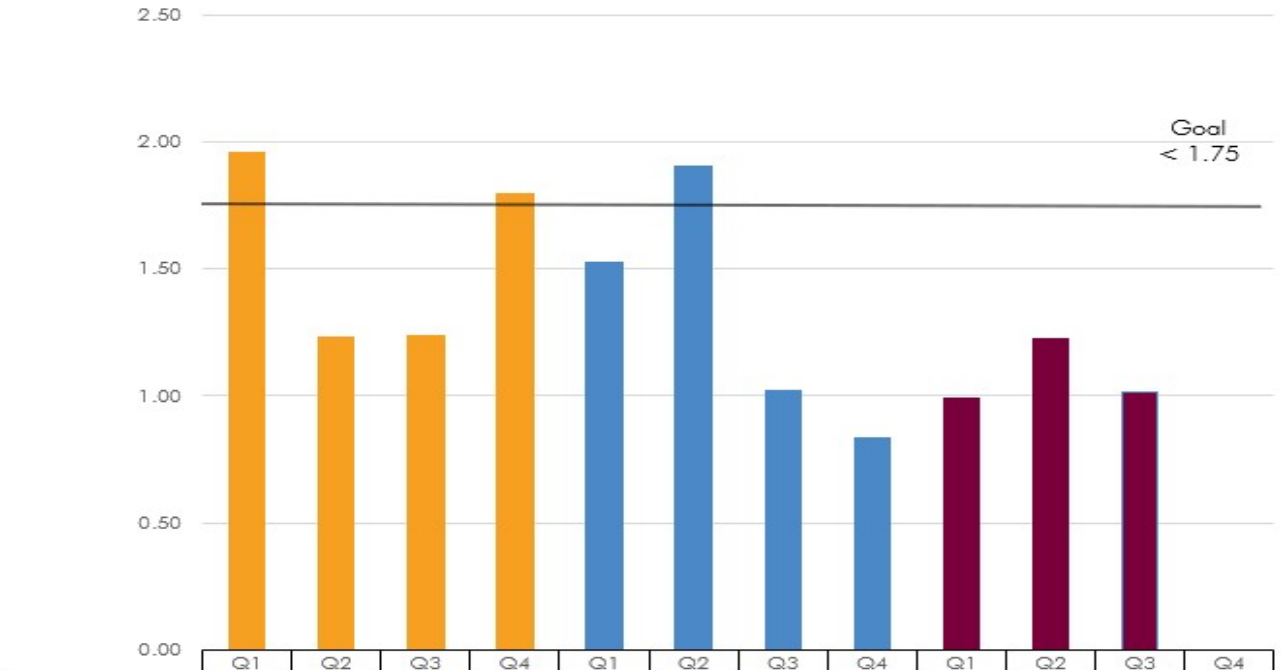
# Organizational Key Performance Indicators (cont'd)

## STRATEGIC PRIORITY: EXERCISE FINANCIAL ACCOUNTABILITY

### CLAIMS PER 10,000 OPERATOR PAID SEAT HOURS

The number of workers' compensation claims filed by operators for every 10,000 hours driven

| Performance Measure | Goal | Department | FY 2024 | FY 2025 | FY 2026 Q3 YTD |
|---|---|---|---|---|---|
| Claims per 10,000 Operator Paid Seat Hours | < 1.75 | Risk Management | 1.56 | 1.32 | 1.08 |




| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Claims Per 10K Seat Hours | 1.96 | 1.23 | 1.24 | 1.79 | 1.52 | 1.90 | 1.02 | 0.84 | 0.99 | 1.23 | 1.01 | 0.00 |
| | FY 2024 | | | | FY 2025 | | | | FY 2026 | | | |

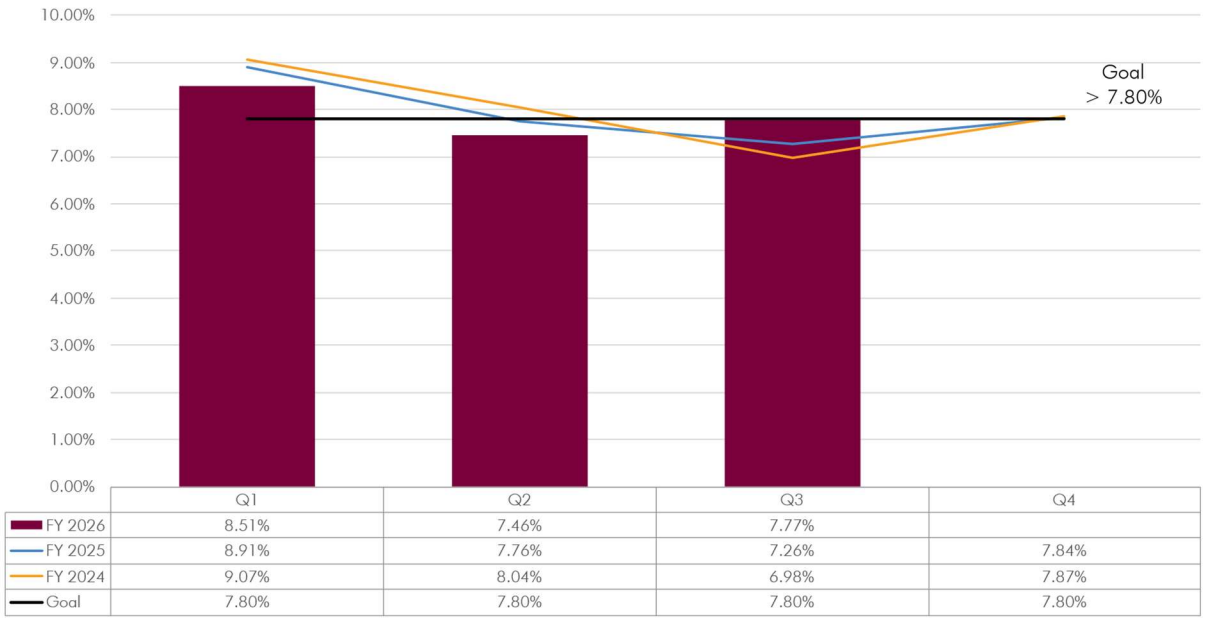
# Organizational Key Performance Indicators (cont'd)

## STRATEGIC PRIORITY: EXERCISE FINANCIAL ACCOUNTABILITY

### FARE RECOVERY RATIO

The ratio of fare revenues LBT generates through its services versus the total amount spent by LBT

| Performance Measure | Goal | Department | FY 2024 | FY 2025 | FY 2026 Q3 YTD |
|---|---|---|---|---|---|
| Fare Recovery Ratio | >7.80% | Finance and Budget | 7.84% | 7.93% | 7.88% |




| | Q1 | Q2 | Q3 | Q4 |
|---|---|---|---|---|
| FY 2026 | 8.51% | 7.46% | 7.77% | |
| FY 2025 | 8.91% | 7.76% | 7.26% | 7.84% |
| FY 2024 | 9.07% | 8.04% | 6.98% | 7.87% |
| Goal | 7.80% | 7.80% | 7.80% | 7.80% |

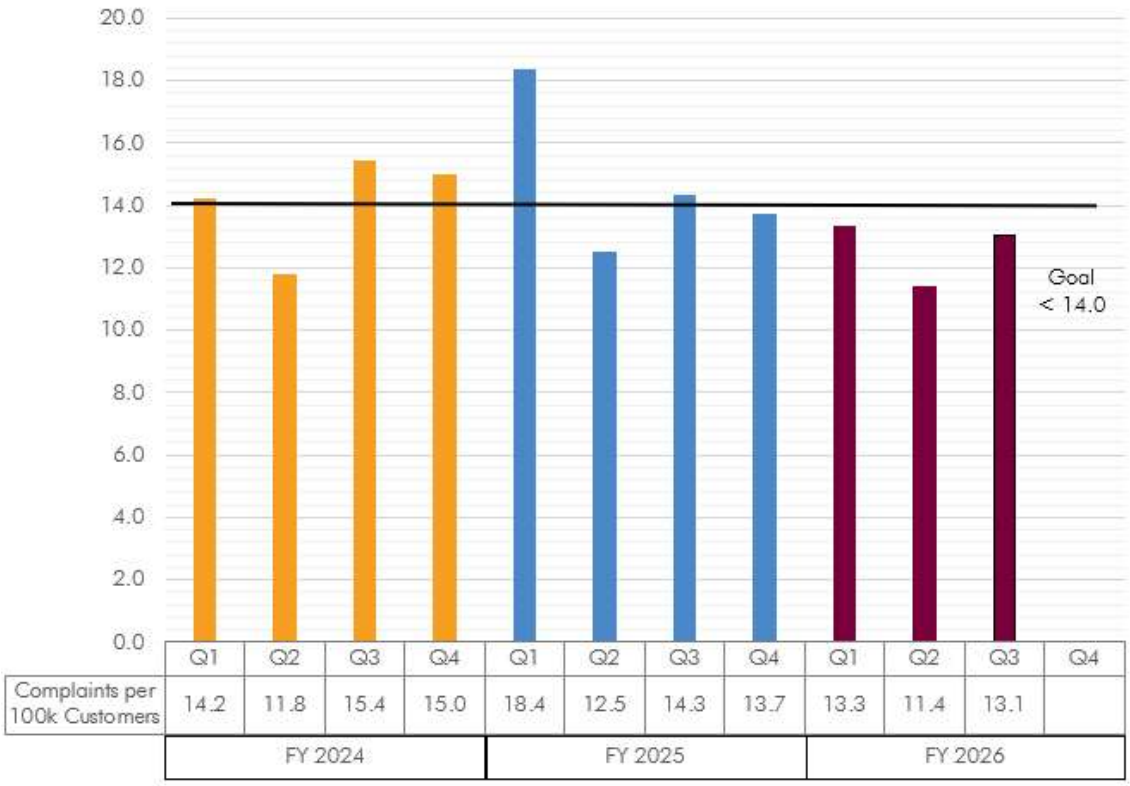
# Organizational Key Performance Indicators (cont'd)

## STRATEGIC PRIORITY: ENHANCE CUSTOMER EXPERIENCE

### CUSTOMER COMPLAINTS PER 100,000 CUSTOMERS

The number of complaints filed by customers for every 100,000 customer boardings

| Performance Measure | Goal | Department | FY 2024 | FY 2025 | FY 2026 Q3 YTD |
|---|---|---|---|---|---|
| Total Complaints per 100,000 Customers | <14.0 | Customer Relations and Communications | 14.1 | 14.7 | 12.6 |



# BUDGET OVERVIEW

## OPERATING BUDGET DEVELOPMENT PROCESS

Long Beach Transit's fiscal year operating budget spans from July 1 through June 30 and serves as the agency's financial blueprint that aligns agency resources with strategic priorities. It is a combination of actual and projected expenditures balanced against forecasted revenues, enabling the agency to deliver service effectively while maintaining fiscal responsibility and supporting informed decision-making.

The budget development process is a collaborative, cross-departmental effort led by LBT's Finance and Budget team. The process begins with strategic planning led by the Executive Leadership Team, which establishes agency goals and priorities for the upcoming fiscal year. These objectives are developed in partnership with department leaders and provide the foundation for the agency's operational and financial plans.

LBT's Transit Service Delivery and Planning team develops the annual operations plan, outlining proposed service levels and identifying key cost drivers. This plan, once approved by the ELT, informs the development of departmental budgets and is shared during the agency's internal budget kickoff meeting.

In March and April, the Finance and Budget team facilitates a series of interdepartmental meetings to refine departmental budget requests and consolidate them into a comprehensive financial plan. This includes coordination with internal teams and external partners to evaluate funding availability and develop revenue projections for the coming fiscal year.

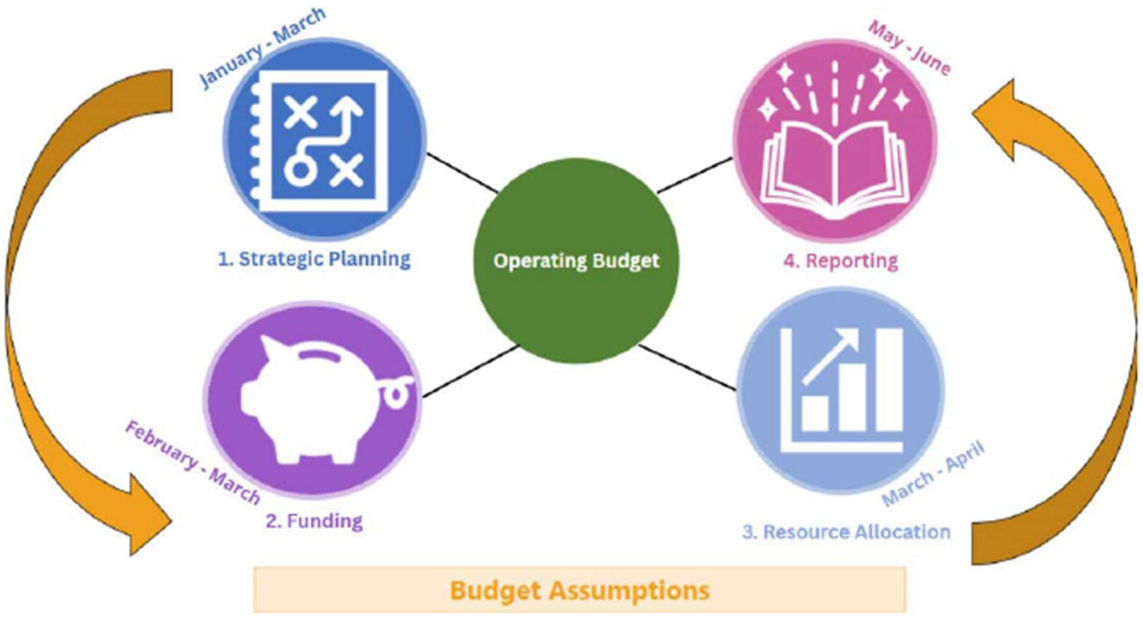
Community engagement is an important component of the process. Through a public outreach plan, LBT seeks input from customers and stakeholders to ensure the budget reflects community needs and expectations while remaining within available funding.

A draft operating budget is reviewed by the Board of Directors' Executive Committee before being presented to the full Board for consideration at its May meeting. All Board meetings are open to the public, and community members are encouraged to provide input on both the proposed annual budget and monthly financial reports throughout the year.

Once adopted, the budget becomes effective on July 1. The CEO is responsible for its implementation and overall fiscal management. LBT's financial health is monitored monthly, with a quarterly financial report presented to the Board of Directors by the Executive Director/Vice President of Finance and Budget. If financial conditions change materially during

the fiscal year, the CEO may propose a mid-year budget amendment for Board consideration and approval.

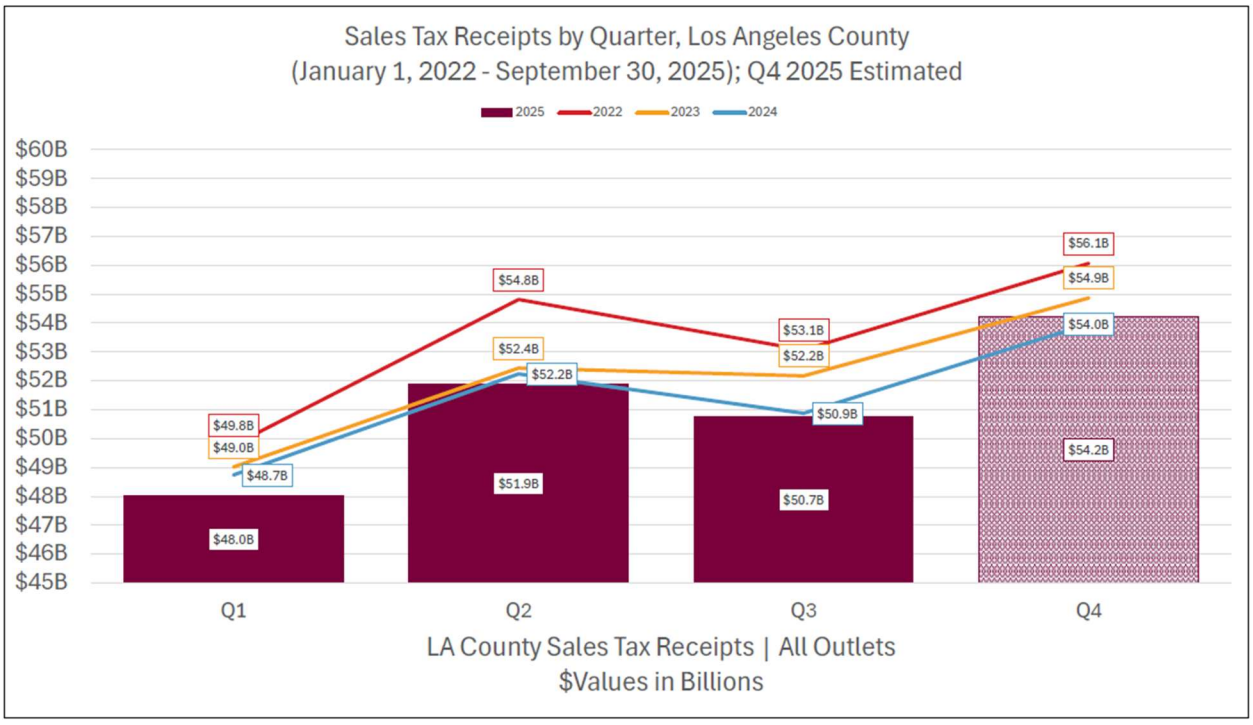
## OPERATING AND CAPITAL BUDGET PLAN FOR FISCAL YEAR 2027



## GENERAL ECONOMIC CONDITIONS

The current economic environment reflects a balance of slow growth and ongoing uncertainty. National indicators suggest that economic activity remains stable, supported by continued investment in emerging technologies and recent fiscal policy actions. At the same time, inflationary pressures, labor market constraints, and geopolitical factors continue to present risks to the outlook. Alongside these trends, regional factors such as sales tax trends and major upcoming global sporting events shape the financial landscape in which LBT operates.

Consumer spending remains a primary driver of the economy. According to the St. Louis Federal Reserve, consumption accounted for approximately 68% of Gross Domestic Product (GDP) in the fourth quarter of 2025. At the regional level, sales tax revenue generated from consumer activity in Los Angeles County is a key funding source for Long Beach Transit. In recent years, regional sales tax receipts have experienced periods of decline, resulting in reduced funding available to public agencies. See below for year-over-year trend of sales tax receipts in Los Angeles County.



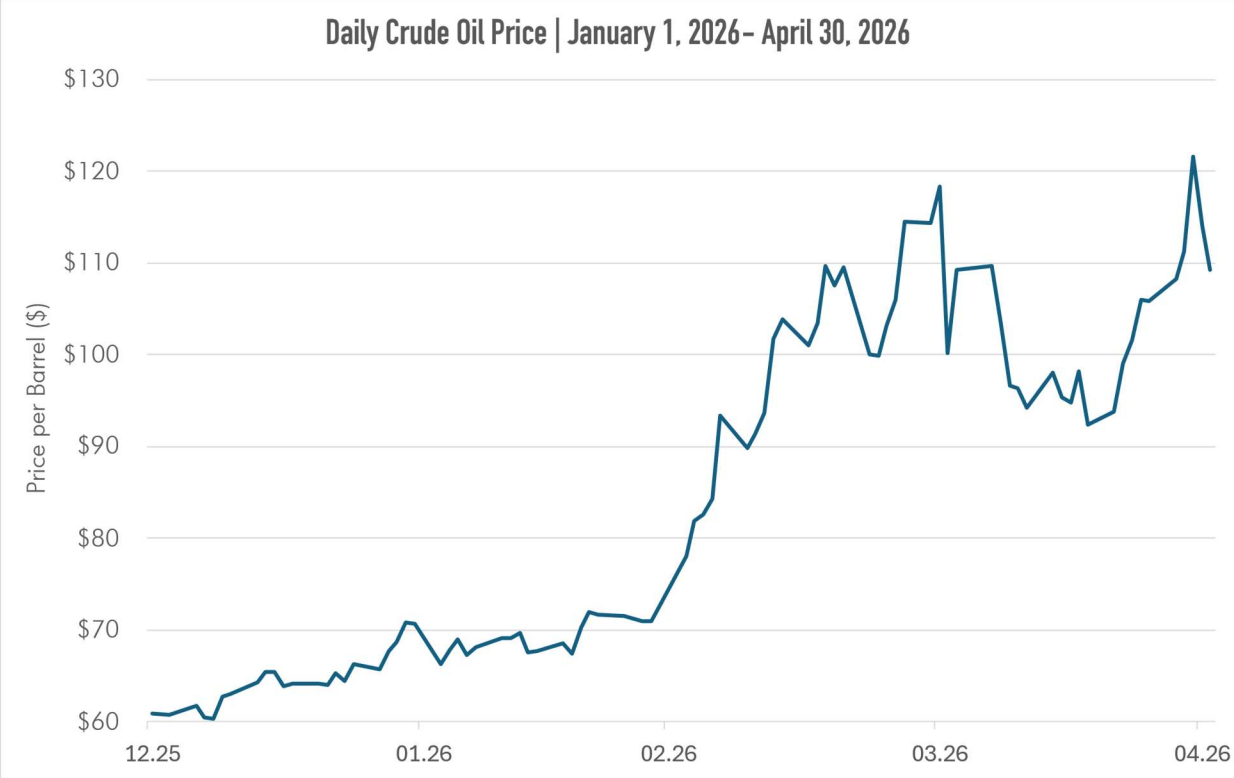

Source: Taxable Sales, by City, Grid View

# General Economic Conditions (cont'd)

Southern California is entering a period of significant regional activity as it prepares to host the FIFA World Cup in 2026, Super Bowl LXI in 2027, and the LA28 Olympic and Paralympic Games in 2028. These events are expected to attract domestic and international visitors, contributing to increased economic activity across the region. These visitors are typically price insensitive, often increasing restaurant activity and overall tourism revenue. In addition to the events themselves, related activities such as fan zones, community events, and vendor opportunities are expected to broaden the distribution of economic benefits.

In response to these trends, Long Beach Transit continues to emphasize partnerships and community engagement efforts that support local economic activity and help sustain revenue sources.

Fuel prices remain an important factor influencing both spending and operational costs. California's elevated baseline fuel costs amplify the impact of global market fluctuations, affecting goods movement through ports, travel behavior, and overall economic activity. In early 2026, global geopolitical events contributed to significant volatility in crude oil prices. See below for trend of crude oil prices.

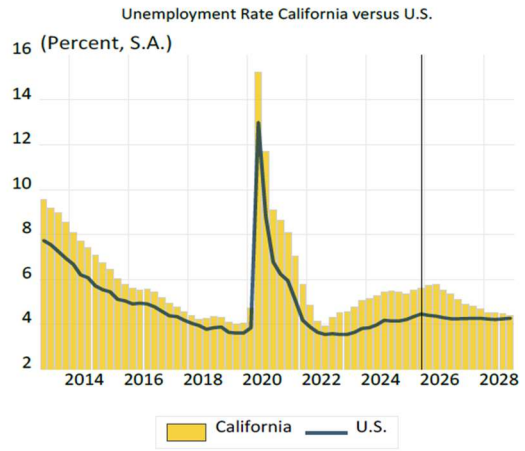


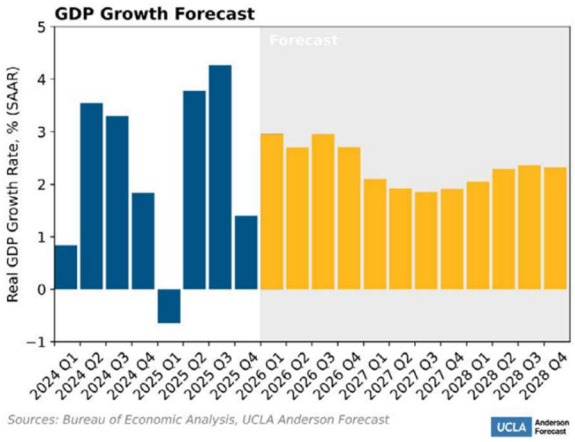

Source: Crude Oil Price Today | Brent OIL PRICE CHART | OIL PRICE PER BARREL | Markets Insider

Long Beach Transit's continued transition toward a zero-emission fleet helps mitigate exposure to fuel price volatility. By reducing reliance on traditional fuel types, the agency is better positioned to maintain cost stability and service reliability over time.

# General Economic Conditions (cont'd)

Looking ahead, economic forecasts indicate moderate but stable growth. The University of California, Los Angeles projects Gross Domestic Product growth of around 3%, "supported by robust, though not excessive, growth in personal consumption." Additionally, unemployment remains relatively stable following increases observed in late 2025. In California, specifically, both GDP growth and unemployment trend slightly above national averages.




Overall, the economy is navigating a period of mixed conditions, where technological investment and consumer activity provide momentum, while inflation, labor market challenges, and geopolitical uncertainty present ongoing risks. For the Los Angeles region, the coming years will depend on the interaction of these factors, as well as, the region's ability to leverage major events and key sectors to support long-term stability.

## BUDGET ENVIRONMENT

LBT is presenting a balanced budget that reflects disciplined planning in a constrained and evolving financial environment. The proposed budget maintains current service levels, recognizing the importance of reliability and consistency for the customers and communities we serve. At the same time, it incorporates cost increases driven by contractually obligated collective bargaining agreements and ongoing labor negotiations, ensuring the agency continues to support and invest in its workforce.

The fiscal outlook is further shaped by broader external factors, including an uncertain political environment, the sunset of one-time federal funding, and anticipated reductions in certain state and local revenue sources. These conditions place added pressure on the agency's financial position, as expenditure growth continues to outpace revenue trends.

In response, LBT has taken a measured and deliberate approach to budget development, emphasizing cost control, prioritization of core services, and prudent use of available resources. This approach is intended to preserve financial stability while maintaining the flexibility needed to adapt to changing conditions.

To maintain current service levels in FY2027, LBT is utilizing available reserves to supplement operating revenues. While this approach allows the agency to continue delivering reliable service, it is not sustainable over the long term. Financial projections indicate that, absent structural changes, additional use of reserves will be required in future years, resulting in reserve levels declining below the thresholds established in LBT's reserve policy. Recognizing this trajectory, staff is actively evaluating cost containment strategies and operational efficiencies to address the structural gap between revenue and expenses.

Even within these constraints, LBT remains committed to operational efficiency and continuous improvement. The agency continues to focus on optimizing internal processes, strengthening organizational alignment, and supporting employee development. As a people-centered organization, LBT recognizes that its workforce is central to delivering safe, reliable, and high-quality transit service, and remains committed to equipping employees with the tools and training necessary to succeed.

# FINANCIAL POLICIES

Long Beach Transit (LBT) operates as a single enterprise fund, providing public transportation services in exchange for fare and related revenue. The agency's annual financial plan is composed of two primary components: the Operating Budget and the Capital Budget. Both budgets are prepared using the accrual basis of accounting, consistent with LBT's audited financial statements. Under this method, revenues are recognized when earned, and expenses are recorded when liabilities are incurred, regardless of the timing of related cash flows.

Each year, Congress authorizes transit funding through legislation, which is administered by the Federal Transit Administration (FTA). Following enactment, the FTA releases apportionments and policy guidance for transit programs. LBT is eligible to receive funding under Chapter 53 of Title 49, U.S. Code, including resources provided by the Bipartisan Infrastructure Law, which authorizes federal transportation programs for Fiscal Years 2022 through 2026. These federal funds, along with local and state contributions, enable LBT to invest in projects that support environmental sustainability, modernize its fleet, and enhance customer experience.

As of the time of this book, any extension or successor legislation beyond FY 2026 remains pending.

## Operating Budget

The Operating Budget details the anticipated expenditures and revenues needed to support LBT's daily transit operations throughout the fiscal year, which runs from July 1 to June 30. This budget covers the financial resources required for service delivery, maintenance, and customer engagement. LBT maintains a balanced and fiscally responsible operating budget, ensuring that operating expenses do not exceed projected revenues.

The primary sources of revenue for the operating budget include fare revenue from LBT's fixed-route, paratransit, and water taxi services, as well as annual sales tax subsidies provided by state and county transportation programs. The amount of these subsidies is determined based on a regional formula that considers factors like fare revenue and revenue miles. In addition, LBT receives miscellaneous income, such as advertising revenue, alternative fuel credits, and investment returns. LBT utilizes eligible preventative maintenance funds to support operating activities, allowing certain eligible maintenance-related costs, such as vehicle upkeep and state of good repair efforts, to be reimbursed with federal resources.

Operating assistance grants are also a critical source of funding for LBT's operating budget. These grants are recognized as revenue in the fiscal year in which they apply, and the related reimbursable expenditures are recorded when incurred.

### Capital Budget

The Capital Budget outlines long-term investments and projects related to LBT's physical assets, including fleet acquisition, facility upgrades, infrastructure improvements, and technology enhancements. These investments are essential for maintaining and modernizing LBT's assets, ensuring the agency's sustainability, and meeting future transportation needs. The capital budget is primarily funded through a combination of federal, state, and regional grants, with funding provided based on both formula allocations and competitive grants. Capital grants are recognized as net assets when related expenditures are incurred, and all grant conditions are met.

## INVESTMENT POLICY

LBT's investment policy is designed to ensure compliance with all state and federal laws while providing clear guidelines for prudent investment and money management. The policy prioritizes the safety of principal, liquidity, and return on investment, in that order, to safeguard the agency's financial stability.

The investment portfolio is structured to maintain sufficient liquidity, enabling LBT to meet its daily operational obligations while maximizing returns.

## PROCUREMENT POLICY

LBT's procurement policy ensures that all purchasing processes are transparent, competitive, and open to all qualified vendors and suppliers. Through a structured solicitation process, the agency guarantees that public funds are used efficiently and responsibly to fulfill operational needs.

LBT staff are authorized to procure goods and services up to $250,000, while procurements exceeding this threshold require approval from the Board of Directors, ensuring oversight and accountability.

### RESERVE POLICY

LBT endeavors to maintain an operating reserve equivalent to three months of operating expenses, approximately 25% of its annual operating budget. This reserve provides financial stability, enabling the agency to maintain uninterrupted service in the event of unforeseen challenges, such as economic downturns, public health crises, natural disasters, or other extraordinary circumstances.

## LONG-TERM FINANCIAL PLANNING

LBT's long-term financial planning is strategically aligned with the agency's mission and financial capabilities, ensuring it can sustainably provide essential public transportation services. The agency's long-term financial strategies focus on operational efficiency, revenue growth, and cost reduction to achieve financial sustainability.

Financial forecasts project revenues and expenditures, considering factors such as:

- Service levels
- Operating revenue
- Subsidy revenue
- Wages and collective bargaining agreements
- Benefit costs and trends
- Fuel types and price trends
- Vendor contracts
- Risk management and mitigation
- Capital investment expenses
- Economic growth rates, including sales tax and Consumer Price Index

## LONG-TERM DEBT

LBT is debt-free and follows a pay-as-you-go model for funding its operations and capital acquisitions. The agency has no current plans to issue debt, and its financial policy remains focused on funding future needs through a combination of formula-based and discretionary grants. This approach supports the agency's commitment to maintaining strong fiscal health without incurring long-term financial obligations.

## BUDGET FOUNDATIONS

The FY 2027 budget is grounded in five key pillars that reflect Long Beach Transit's commitment to fiscal responsibility, service excellence, and long-term sustainability:

1. No Fare Increases
   LBT will not implement any fare increases in FY 2027.
2. Delivering Planned Service
   LBT is committed to operating 100% of its planned service levels.
3. Mitigating Rising Costs
   LBT is continuing to experience significant inflationary pressures affecting the cost of goods and services.

   As an example, the Procurement and Warehouse teams have actively implemented a range of strategies to address these rising expenses. By awarding Forward Purchase Agreements with guaranteed pricing for 229 parts, representing 67% of the annual parts expenditure, they have secured greater cost stability. Additionally, shifting more purchasing to local vendors has helped minimize freight costs, and a focus on larger bulk orders has enabled further efficiencies.

4. Ensuring Long-Term Viability
   LBT emphasizes fiscal stewardship to address ongoing economic challenges while maintaining the financial health necessary to support the agency's mission over the long term.
5. Acquiring No Debt
   LBT has maintained a long-standing practice of not running our agency by acquiring debt

This year's budget reflects LBT's focus on organizational optimization, fiscal accountability, and a sustainable path forward for the agency and its customers.

## BUDGET OBJECTIVES

Through a series of collaborative workshops with department managers and the Budget Team, the Executive Leadership Team (ELT) identified the agency's focus areas and key drivers for the FY 2027 budget. These discussions shaped the budget objectives for the year, providing clear direction to departments as they developed their respective fiscal plans.

Aligned with LBT's budget foundations and six strategic priorities, the following objectives were established to guide the development of the FY 2027 budget:

| Strategic Priorities | Budget Objectives |
|---|---|
| Safety and Service Quality | • Enhance Safety and Security<br>• Deliver Sustainble Transit Services<br>• Increase Fleet Availability and Reliability |
| Financial Accountability | • Grow Revenue<br>• Optimize Use of Resources<br>• Strengthen Financial Stewardship |
| Leverage Technology and Innovation | • Modernize Core Systems and Digital Infrastructure<br>• Leverage Data and Analytics<br>• Adopt Innovative Technologies |
| Employee Engagement | • Invest in and Retain Employees<br>• Attract and Develop Top Talent<br>• Elevate the Employee Experience |
| Customer Experience | • Respond to Our Customer's Expectations<br>• Create Overall Exceptional Experiences<br>• Enhance Customer Communication |
| Community and Industry Focus | • Strengthen Connections with the Community<br>• Partner with and influence the Transportation Industry<br>• Expand and Capitalize on Brand Awareness<br>• Advocate for dedicated, long-term funding |

The FY2027 operating budget includes a range of programs and initiatives that support Long Beach Transit's strategic priorities and long-term goals. These efforts reflect the agency's continued focus on workforce development, operational efficiency, technology modernization, sustainability and risk management. The following highlights key programs incorporated into the FY2027 budget that contribute to service delivery, organizational effectiveness and overall customer experience.

## COLLEGE INTERNSHIP PROGRAM

Since its reintroduction in FY 2025, LBT's College Internship Program has continued to grow as a key initiative supporting the development of future transportation professionals. The program will continue into FY 2027 as an established component of the agency's workforce development strategy. Interns are provided with meaningful, real-world experience through participation in impactful projects across the organization.

Under the guidance of experienced staff, participants strengthen essential skills such as problem-solving, communication, and decision-making, while gaining practical insight into the public transit industry. As the program continues into FY 2027, LBT remains committed to fostering a strong talent pipeline and creating opportunities that support both individual growth and the long-term needs of the agency.

## ENTERPRISE RESOURCE PLANNING (ERP) and ENTERPRISE ASSET MANAGEMENT (EAM)

At its February 27, 2025, meeting, the Board of Directors authorized the procurement of new Enterprise Resource Planning (ERP) and Enterprise Asset Management (EAM) systems. This decision marks the next phase in LBT's efforts to modernize and optimize agency operations.

The project is being implemented over a multi-year period, beginning in FY 2025 and continuing through FY 2027. As implementation progresses, staff remains focused on delivering a high-quality system that meets the agency's operational needs, with an emphasis on thoughtful design, thorough testing, and effective change management to support long-term success. The current phase includes the deployment of integrated systems supporting human capital management, payroll, maintenance, inventory, fleet asset management, and financial operations.

The new ERP/EAM platform is expected to deliver several key benefits:

- Automate and reduce manual work processes
- Streamline workflows and improve efficiency
- Enhance collaboration across departments
- Provide real-time visibility into operations and performance
- Strengthen decision-making through improved data and analytics
- Support the adoption of modern technologies, including cloud-based solutions and advanced analytic

This investment reflects LBT's commitment to building a more efficient, data-informed, and resilient organization, while ensuring that implementation is carried out with the level of quality and care necessary to fully realize these long-term benefits.

## EXPANSION OF BATTERY ELECTRIC BUS (BEB) FLEET

In FY 2026, Long Beach Transit successfully advanced its commitment to sustainability with the receipt of 30 Battery Electric Buses. This fleet replacement initiative represents a key milestone in LBT's long-term strategy to transition to a 100% zero-emission bus fleet by 2030. The addition of these BEBs is already contributing to a reduced carbon footprint while supporting cleaner, quieter, and more energy-efficient transit service throughout the region.

## GOPASS

The GoPass program provides eligible K-12 and community college students from participating school districts with unlimited rides on all transit agencies participating in the program. Students use a TAP card, issued exclusively through their schools and activated through online registration.

The program is partially funded jointly by school districts and transit agencies. Participating K-12 and community college districts contribute $7 per enrolled student annually. After deducting a $2 per-card fee, the remaining funds are distributed among participating agencies based on ridership. While these contributions are modest, the resulting fare revenue loss is subsidized through LBT's operating budget, decreasing the fare revenue ratio and increasing dependence of subsidies.

Initially launched as a pilot from October 2021 through June 2023, the GoPass program was made permanent by the Metro Board of Directors in April 2024. In alignment, LBT's Board approved participation in Year 4 of the program, covering the period from July 1, 2024, through June 30, 2025, on June 27, 2024. As of the time of this report, a Year 6 extension is planned to be presented to the Board for consideration at its May 28, 2026 meeting.

As of March 2026, LBT has delivered over 10 million rides under GoPass and will continue evaluating permanent funding strategies to support the future of the program.

## Risk Mitigation Task Force Efforts

During FY 2026, LBT launched this task force as a proactive, cross-departmental approach to safety and risk management. Through root-cause analysis, executive oversight, and collaboration – driving measurable improvements in safety performance, cost reduction, accountability, and long-term resilience.

# Achieving Customer Excellence

## ACHIEVING CUSTOMER EXCELLENCE (ACE)




Long Beach Transit's Achieving Customer Excellence (ACE) program is an agency-wide initiative focused on improving the customer experience by applying Design Thinking to transit service. ACE encourages employees to view service from the customer's perspective, better understand customer needs, and identify practical improvements that support safe, reliable, and customer-focused service.

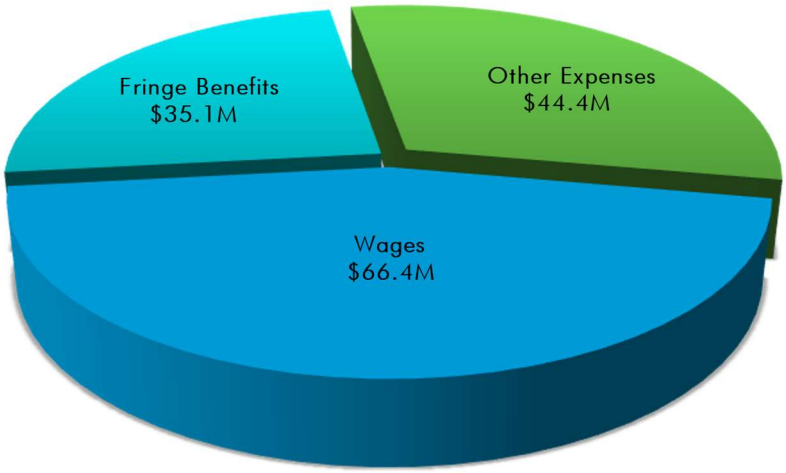
The ACE framework connects key elements of the transit experience such as information, schedules, vehicles, operators, communication, and feedback with a structured Design Thinking approach. These elements reflect both the customer-facing experience and the internal systems that support service delivery.

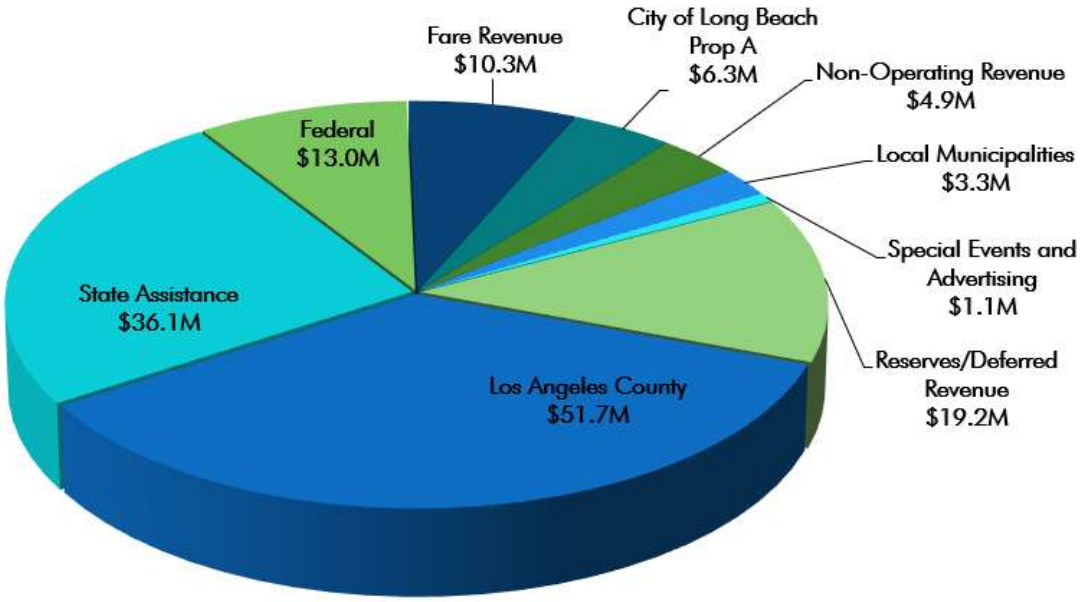
At the core of ACE is the Design Thinking process: Empathize, Define, Ideate, Prototype, and Test. The process begins with Empathize, where employees focus on understanding the customer's experience by observing, listening, and identifying needs. From there, teams define the problem, develop ideas, test solutions, and refine them as needed. This process is iterative, allowing teams to adjust as they learn. Through ACE, LBT continues to improve processes, strengthen service delivery, and support a culture of continuous improvement. The program reinforces LBT's commitment to delivering high-quality transit service by placing the customer at the center of decision-making.

## OPERATING BUDGET OVERVIEW

The Agency is presenting a balanced budget, with operating expenses equal to operating revenues.

### Operating Expenses
### $145.9M

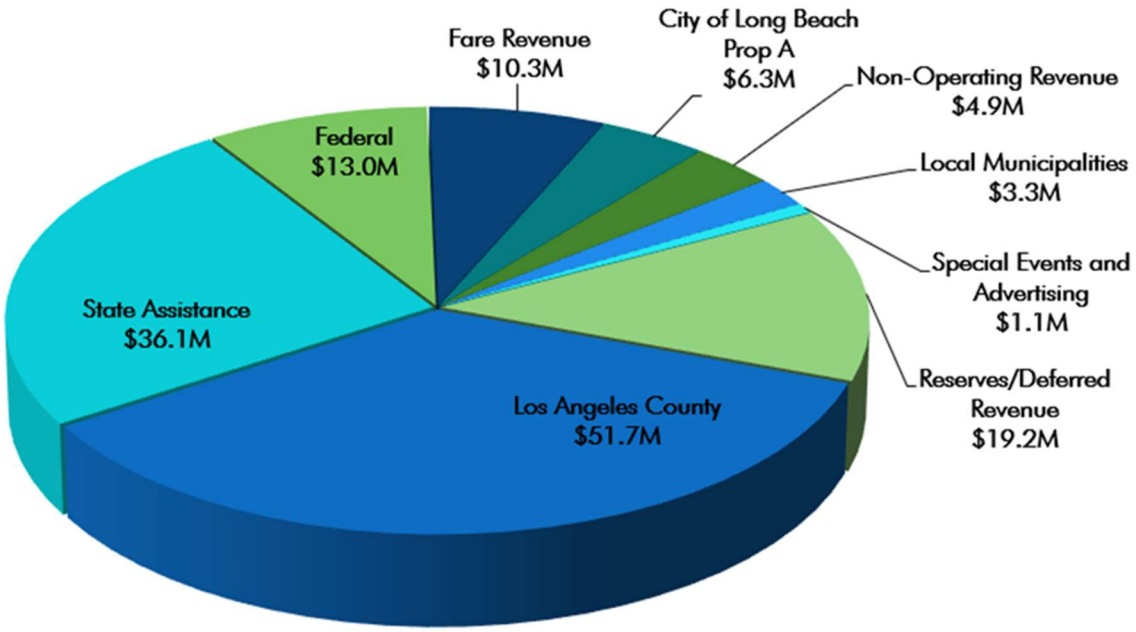



### Operating Revenue
### $145.9M

## OPERATING REVENUE

Captured below in the pie chart and table are LBT's projected revenue sources for FY 2027.




**$145.9M**

| Revenue Source | Amount | % of Total |
|---|---|---|
| Los Angeles County | $51,701,939 | 35.4% |
| State Assistance | $36,120,443 | 24.8% |
| Federal | $13,000,000 | 8.9% |
| Fare Revenue | $10,337,757 | 7.1% |
| City of Long Beach | $6,290,231 | 4.3% |
| Non-Operating Revenue | $4,851,747 | 3.3% |
| Local Municipalities | $3,310,551 | 2.3% |
| Special Events and Advertising | $1,056,710 | 0.7% |
| Reserves/Deferred Revenue | $19,231,491 | 13.2% |
| Total: | $145,900,869 | 100.0% |

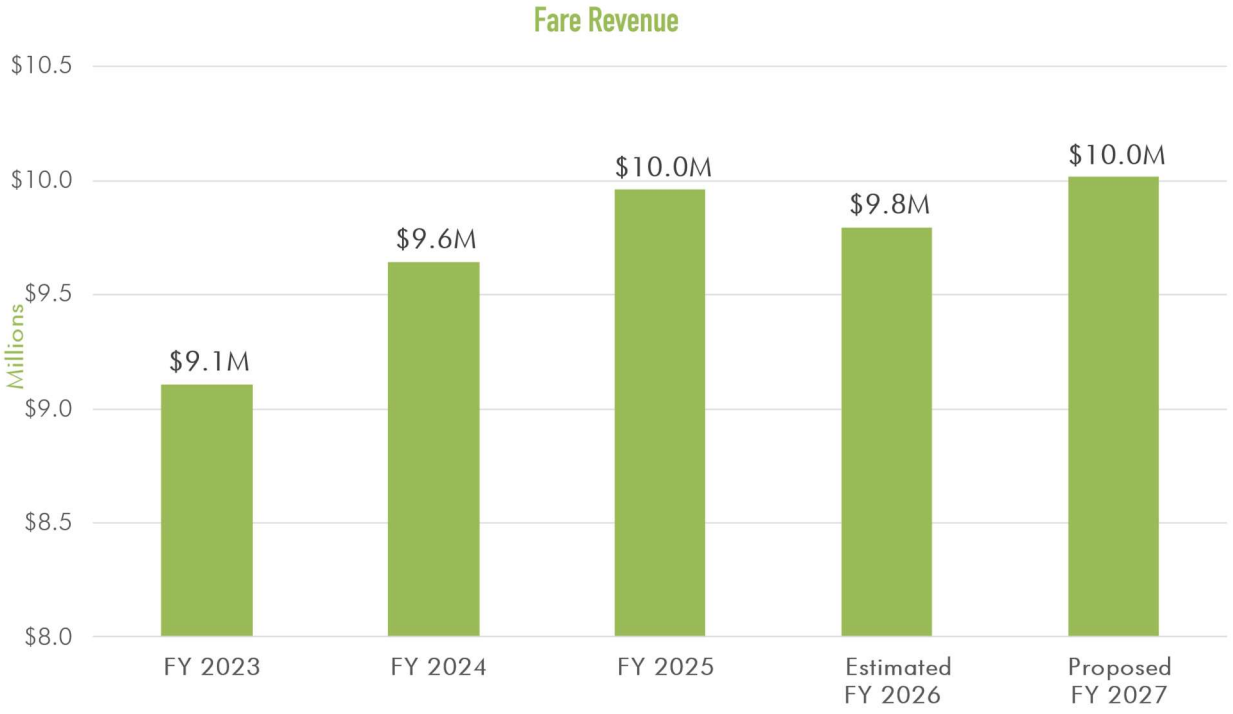
# Operating Revenue Highlights (cont'd)

## FARE REVENUE | Fixed Route Service

In FY 2026, fare revenues for our fixed route service remained consistent with FY 2025 levels, primarily driven by one-way regular cash fares. This aligns with a 12% rise in ridership within these fare categories, largely attributed to expanded participation in the county-wide Low-Income Fare is Easy (LIFE) program.

Fare revenue also rose slightly from LBT's participation in the GoPass program, reflecting increased student participation and ridership in K-12 and Community College Districts both within and adjacent to LBT's service area.

The bar graph below illustrates a five-year trend in LBT's fare revenue.




As illustrated in the preceding graph, fare revenue has experienced gradual growth and stabilization. With service levels anticipated to remain consistent in FY 2027, fare revenue is projected to be stagnant.

# Operating Revenue Highlights (cont'd)

## SUBSIDY REVENUE

The majority of Long Beach Transit's daily operations are funded through state and county tax revenues. These funds are distributed through a Formula Allocation Procedure (FAP) by the regional transportation planning agency.

The FAP distributes subsidy revenues based on a formula: 50% vehicle service miles and 50% fare units (calculated as passenger revenues divided by the base cash fare). Funds allocated are based on projections for the upcoming fiscal year, with any variance between adopted estimates and actual revenues reconciled in future distributions.

Beginning in FY 2021, LBT began receiving federal funding through several emergency relief programs enacted in response to the COVID-19 pandemic and exhausted these funds in FY2026.

### Coronavirus Aid, Relief, and Economic Security (CARES) Act

Signed into law on March 27, 2020, the CARES Act provided emergency relief to prevent, prepare for, and respond to the impacts of COVID-19. LBT was allocated $29.2 million in CARES Act funds, which was primarily used to support payroll expenses in FY 2021.

### Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)

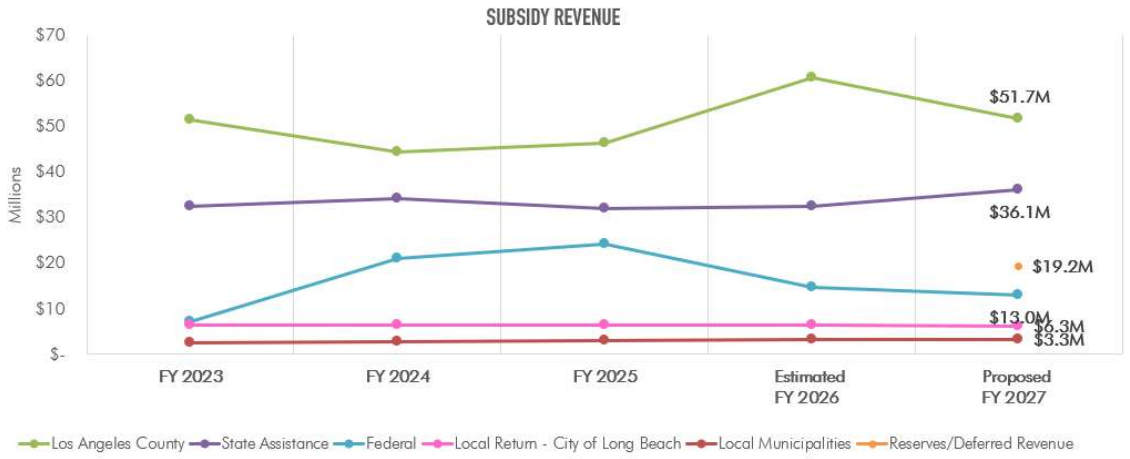
Enacted on December 27, 2020, CRRSAA provided $14 billion in supplemental appropriations to support the transit industry during the COVID-19 public health emergency. LBT was allocated $26.7 million of CRRSAA funds, which were fully utilized across three fiscal years: $14.7 million in FY 2022, $7.1 million in FY 2023, and $4.9 million in FY 2024.

### American Rescue Plan Act (ARPA)

Signed into law on March 11, 2021, ARPA allocated approximately $30 billion for transit operators nationwide to prevent, prepare for, and respond to the COVID-19 pandemic. LBT was awarded $42.9 million in ARPA funds, which were fully utilized across three fiscal years to support operating expenses: $15.7 million in FY 2024, $22.4 million in FY 2025, and $4.9 million in FY 2026.

# Operating Revenue Highlights (cont'd)

The line graph below illustrates a five-year trend in LBT's subsidy revenue.




## INVESTMENT REVENUE

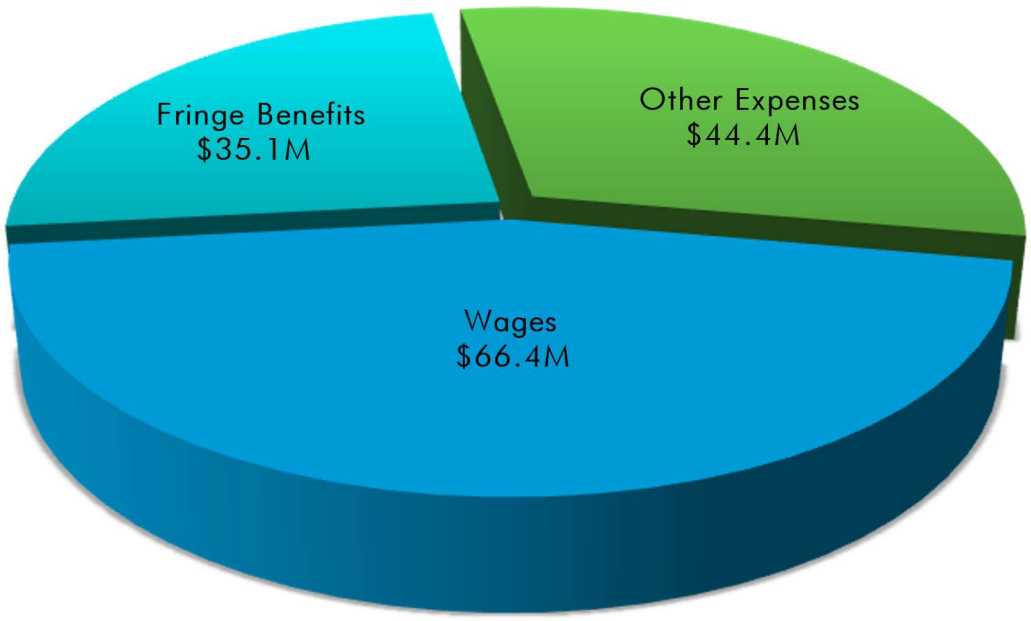
In response to elevated inflation in recent years, the Federal Reserve raised interest rates to moderate economic activity. As of FY 2026, rates have largely stabilized, with increasing expectations of gradual reductions. However, broader economic uncertainty persists, influenced by shifting fiscal policy, global conditions, and mixed economic indicators.

Since LBT maintains depository accounts with the State's Local Agency Investment Fund, a declining interest rate environment may result in lower earnings in FY 2027. At the same time, LBT's investments in bonds and government securities may perform more favorably as rates ease, helping to partially offset reduced interest income.

Given these conditions, LBT has taken a prudent approach by conservatively projecting FY 2027 investment income at a level below the prior fiscal year.

## OPERATING EXPENSES

The following pie chart depicts the budgeted amounts for wages, fringe benefits and other expenses, which includes fuel, lubricants, utilities, parts and materials, and property damage and personal liability.




**Operating Expenses**
**$145.9M**

### SERVICE DELIVERY

LBT plans to deliver 100% of planned service at a comparable service level to the previous year.

### RETIREMENT BENEFITS

Retirement benefit expenses remain a significant and ongoing cost driver for Long Beach Transit. These costs are actively managed to ensure the long-term sustainability of the agency's retirement programs.

# Operating Expense Highlights (cont'd)

LBT sponsors three retirement plans: a defined benefit pension plan for contract employees; a defined benefit plan for salaried and AFSCME-represented employees hired before April 1, 2011; and a defined contribution 401(a) plan for salaried and AFSCME employees hired on or after that date.

A key determinant of annual contribution rates for the defined benefit plans is the investment return performance from the prior fiscal year. While FY 2026 has delivered positive market returns, ongoing economic volatility and market unpredictability continue to pose risks. Accordingly, the FY 2027 budget accounts for this uncertainty and budgeted based on the latest actuarial valuation report.

In addition to these plans, LBT also offers a voluntary deferred compensation plan (457B) available to all employees. This plan allows employees to set a side a portion of their income to support retirement savings. Participation is employee-funded, and LBT does not provide employer contribution or matching to this plan.

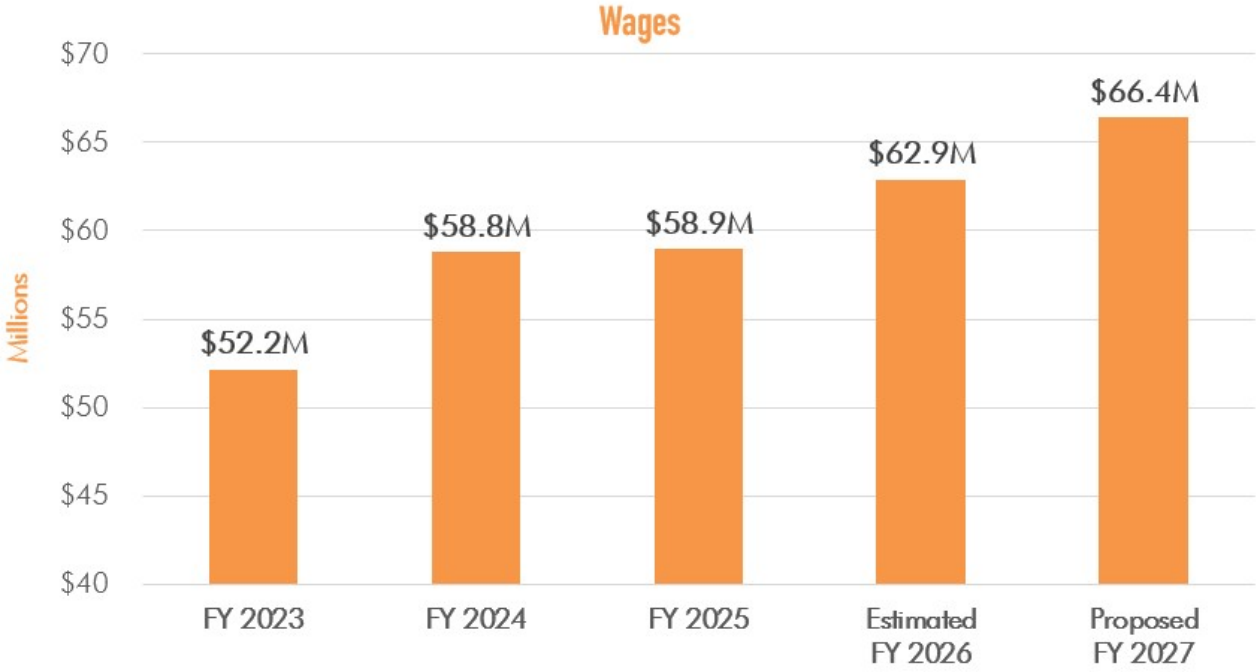
In prior fiscal years, LBT revised its expected rate of return assumptions for its defined benefit plans to better align with actual market trends, helping to mitigate long-term fiscal exposure.

# Operating Expense Highlights (cont'd)

## WAGES

LBT remains focused on strategic recruitment efforts to support staffing needs and maintain planned service levels. In a competitive labor market with low unemployment, the agency continues to position itself as an employer of choice in the region.

The bar graph below illustrates the steady increase in employee wages over the past five fiscal years, reflecting both market conditions and ratified collective bargaining agreements. Wages continue to represent the agency's largest operating expense.

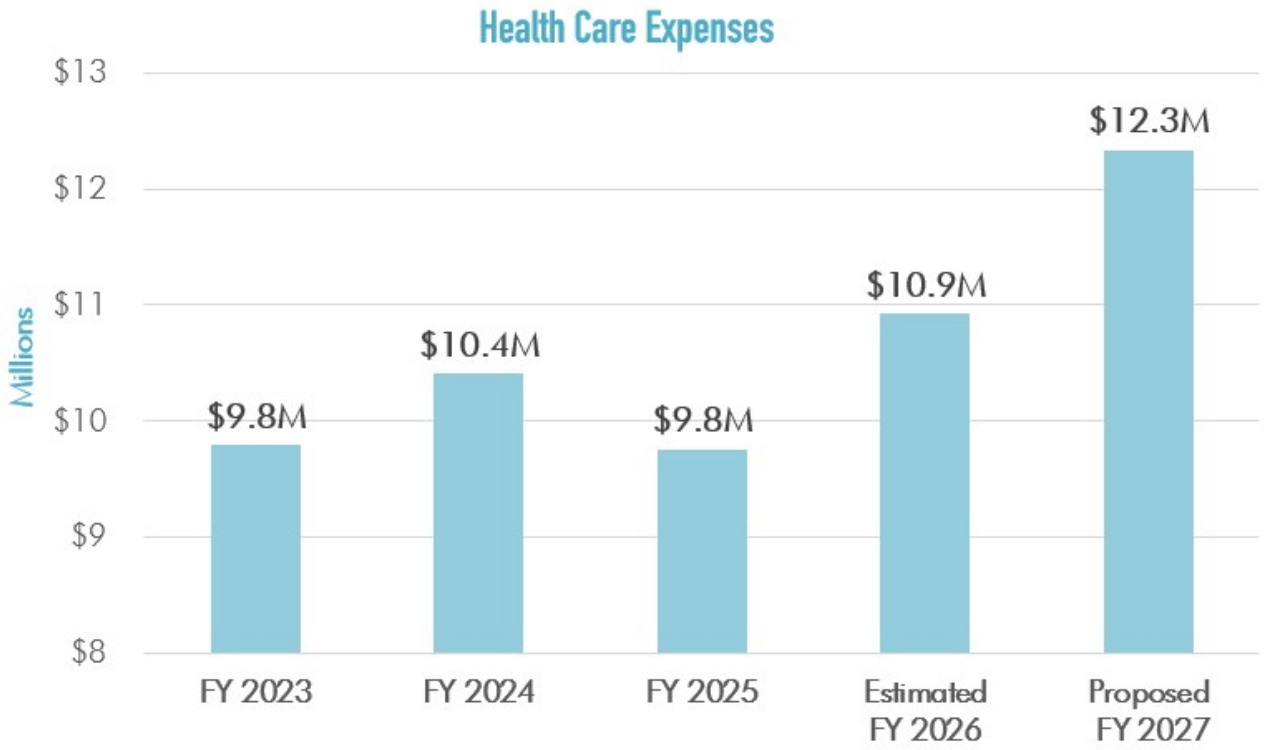


# Operating Expense Highlights (cont'd)

## HEALTH CARE

Healthcare costs continue to be a significant expense for LBT. In FY 2027, health care costs are projected to rise by an average of 12.8%. To manage these escalating costs, LBT collaborates closely with its insurance carrier to implement cost-control programs aimed at mitigating future increases.

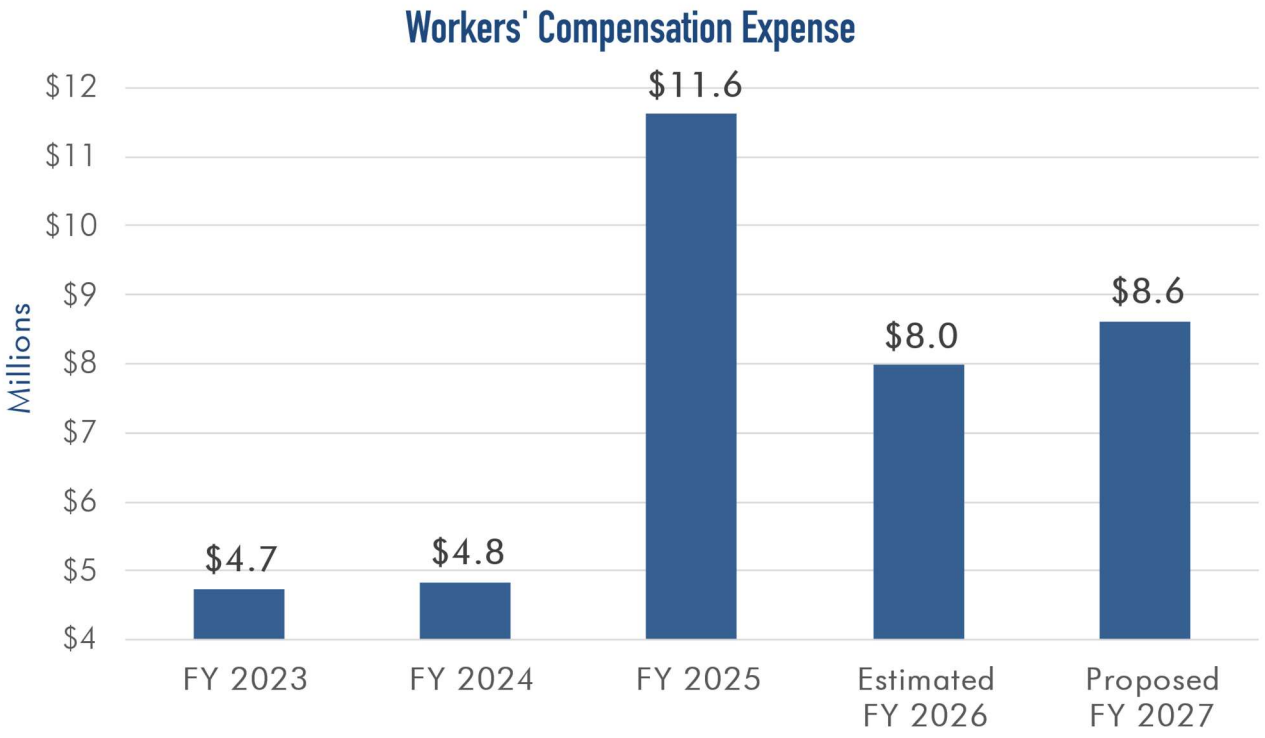
The bar graph below shows the trend in employee healthcare costs over the past five fiscal years. Since FY 2023, LBT has experienced a 25.5% increase in healthcare expenses.



# Operating Expense Highlights (cont'd)

## WORKERS' COMPENSATION

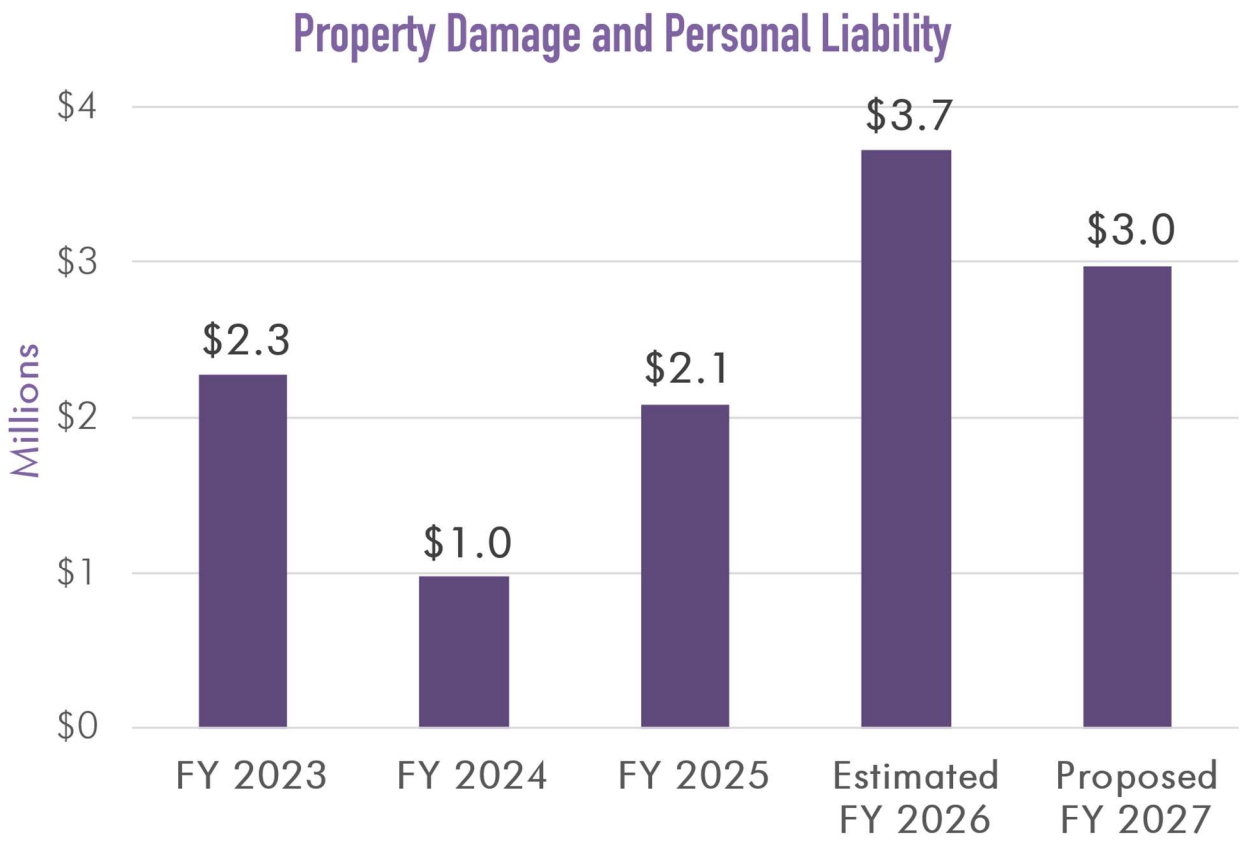
Workers' compensation costs for FY 2027 are projected to increase, with expenses up 83% since FY 2023 due to rising medical and litigation costs. To mitigate this trend, LBT launched the Risk Mitigation Task Force to target solutions focused on improving safety, reducing costs and improving claim outcomes.



# Operating Expense Highlights (cont'd)

## PROPERTY DAMAGE AND PERSONAL LIABILITY

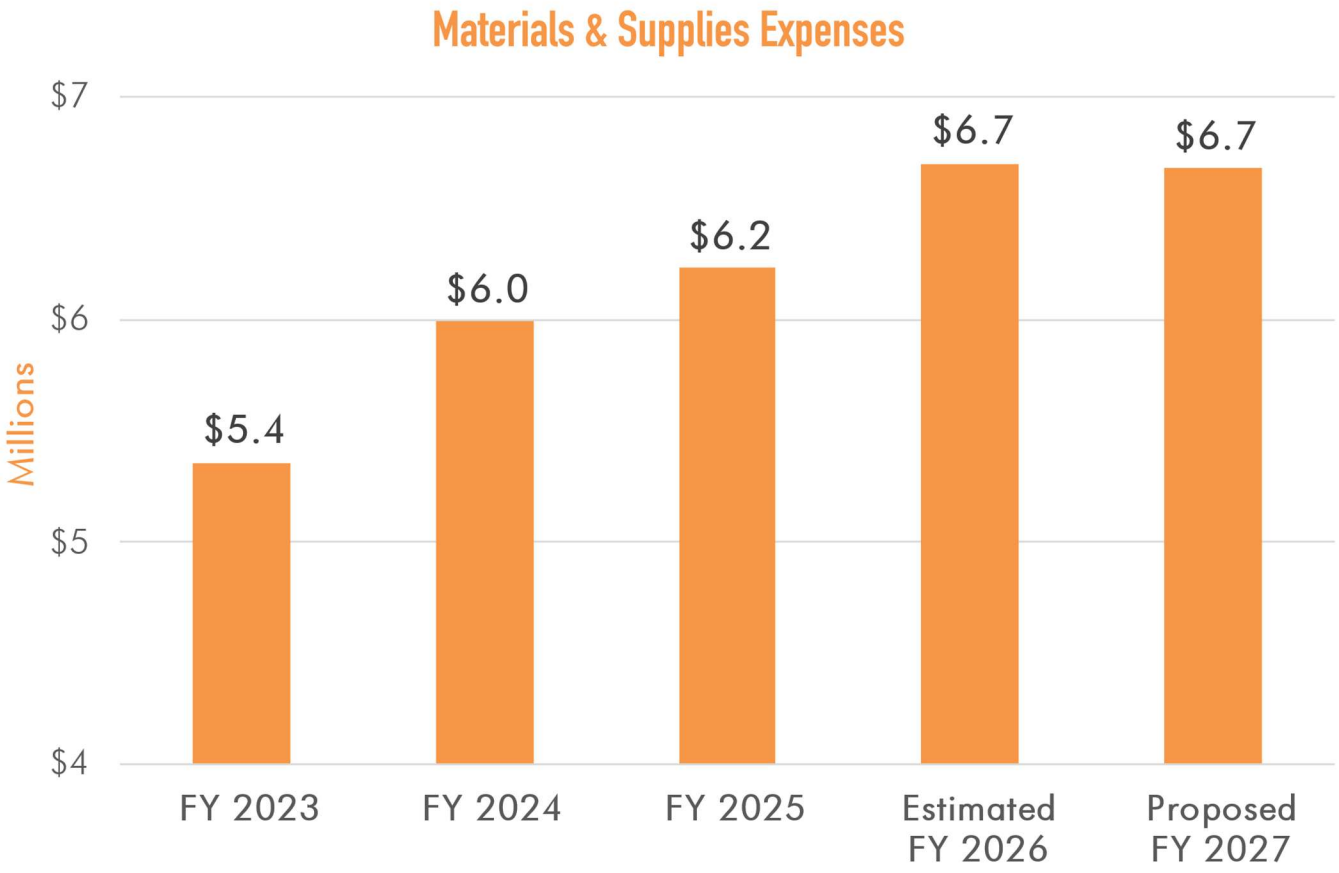
In FY 2027, Long Beach Transit is projecting an increase in property damage and personal liability reserves, driven by higher repair costs, rising legal and settlement expenses, and increased claim volume. In response, LBT is advancing coordinated, data-driven strategies to reduce incidents, lower legal exposure, and improve claims outcomes. These efforts include a cross-functional Risk Mitigation Task Force, targeted safety interventions, cost-effective litigation management, and proactive education for both operators and the public to support safer system-wide behaviors.



# Operating Expense Highlights (cont'd)

## MATERIALS & SUPPLIES

In FY 2027, materials and supplies expenses are expected to remain relatively flat compared to FY2026. While external cost pressures continue to affect pricing for essential materials, LBT is actively managing expenses by working closely with suppliers and focus on strategic procurement practices, including exploring alternative sourcing options, and optimizing inventory management.

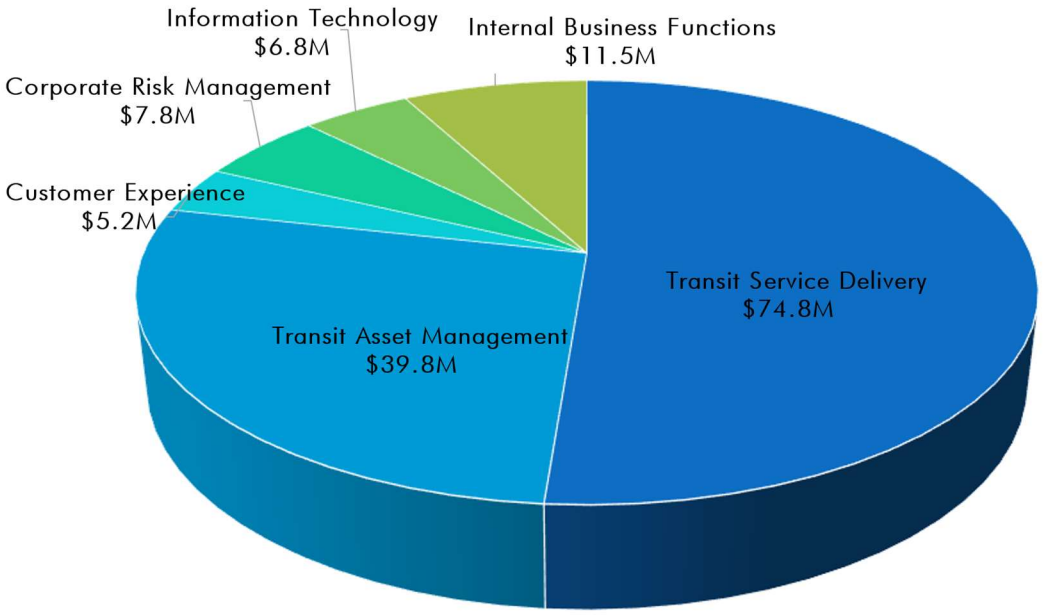


# Operating Expense Highlights (cont'd)

## CORE BUSINESS CATEGORIES

The core business categories represent the essential functions that drive LBT's value creation. The agency concentrates on these categories to ensure coordinated efforts that enable the successful execution of its strategic priorities and the achievement of organizational objectives each fiscal year.

For LBT to operate efficiently and deliver exceptional services to its customers, each business function must be executed effectively, ensuring the agency remains a top-performing transit provider. The following chart illustrates the budgeted expenditures allocated across each core business category.




**Core Business Categories**
**$145.9M**

# Operating Expense Highlights (cont'd)

The core business categories are as follows:

## TRANSIT ASSET MANAGEMENT

LBT's focus is to keep all assets in a state of good repair or "like new" condition, to ensure the agency has revenue vehicle availability for service delivery. This category encompasses all functions related to the management and upkeep of transit assets, ensuring reliability and service continuity.

## TRANSIT SERVICE DELIVERY

This category focuses on delivering transportation services to the community, including fixed-route, paratransit, and water taxi services. It involves operator training, route planning, and system security—key functions that ensure efficient, safe, and reliable transit for LBT's customers.

## CUSTOMER EXPERIENCE

The Customer Experience category covers everything related to how LBT's customers interact with LBT. From transit amenities and customer relations to communication services, this category ensures that every touchpoint, whether at a bus stop or through digital channels, delivers high-quality service and information.

## CORPORATE RISK MANAGEMENT

This category centers on managing and mitigating the agency's risks. It includes functions such as insurance, workers' compensation management, personal liability, and property damage claims, as well as the overall strategy to safeguard LBT's assets and operations.

## INFORMATION TECHNOLOGY

Information Technology encompasses the systems and infrastructure that support LBT's operations. This category includes the critical networks and data management systems necessary for efficient day-to-day functionality across the agency.

## INTERNAL BUSINESS FUNCTIONS

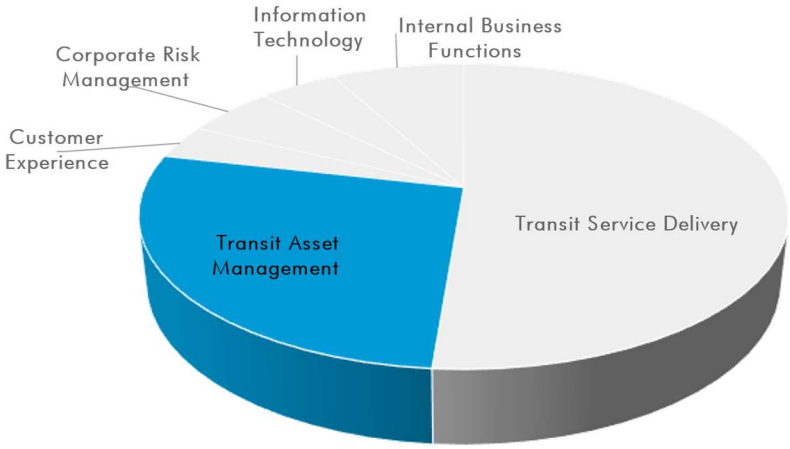
The Internal Business Functions category represents the strategic planning, leadership, and personnel required to guide LBT's mission and achieve its goals. It ensures that the agency is

# Operating Expense Highlights (cont'd)

well-positioned to meet both current and future challenges through effective management and oversight.

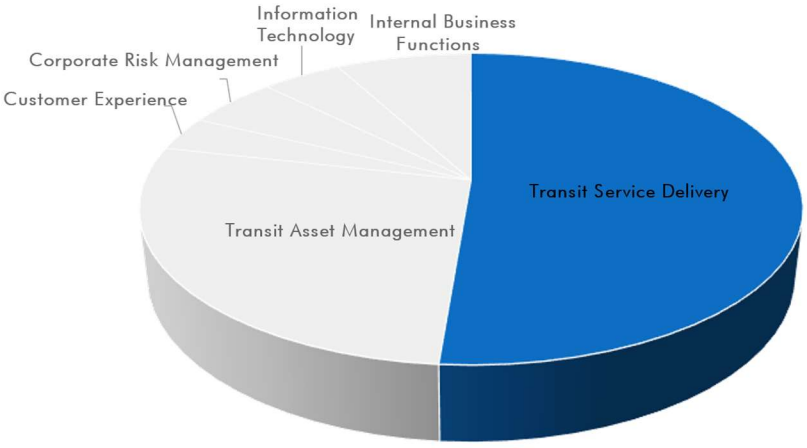
The following pie charts depict budgeted expenditures relative to each core business category.

## TRANSIT ASSET MANAGEMENT




| Transit Asset Management ($) | |
|---|---|
| Vehicle Maintenance | 22,860,293 |
| Infrastructure and Utilities | 8,104,912 |
| Fuel and Lubricants | 5,901,581 |
| Warehouse | 1,348,457 |
| Procurement and Contracts | 745,714 |
| Project Delivery | 558,727 |
| Training* | 270,770 |
| Total | 39,790,454 |

## TRANSIT SERVICE DELIVERY

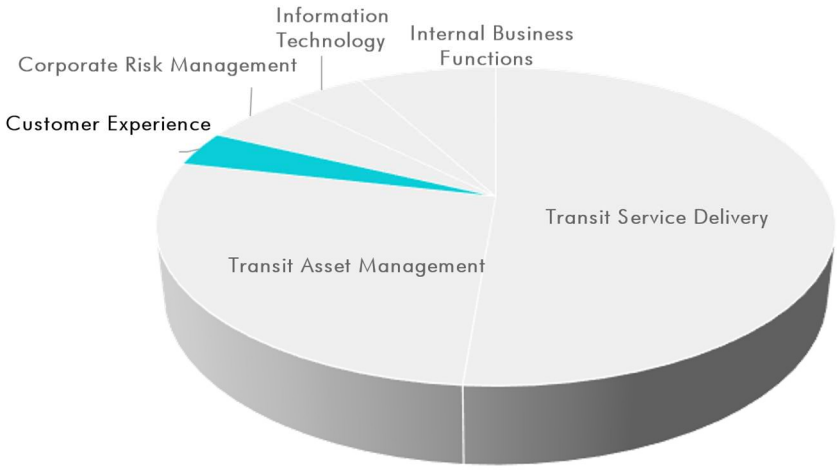



| Transit Service Delivery ($) | |
|---|---|
| Daily Operations | 63,337,184 |
| Security | 4,330,522 |
| Planning | 1,975,063 |
| Dial-A-Lift | 2,268,952 |
| Training* | 1,534,363 |
| Water Taxi Services | 1,334,865 |
| Total | 74,780,949 |

*Training expenditures are split between Transit Asset Management and Transit Service Delivery

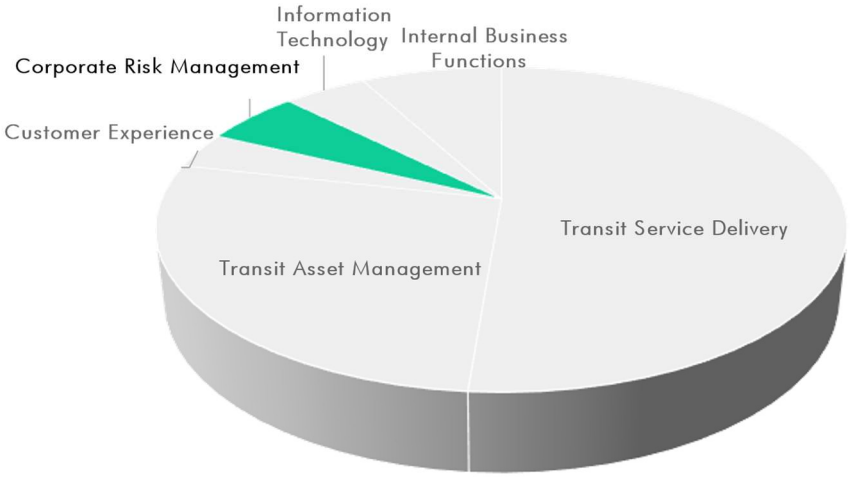
# Operating Expense Highlights (cont'd)

## CUSTOMER EXPERIENCE




| Customer Experience ($) | |
|---|---|
| Customer Relations and Communications | 3,635,075 |
| Transit Customer Amenities | 1,588,410 |
| Total | 5,223,485 |

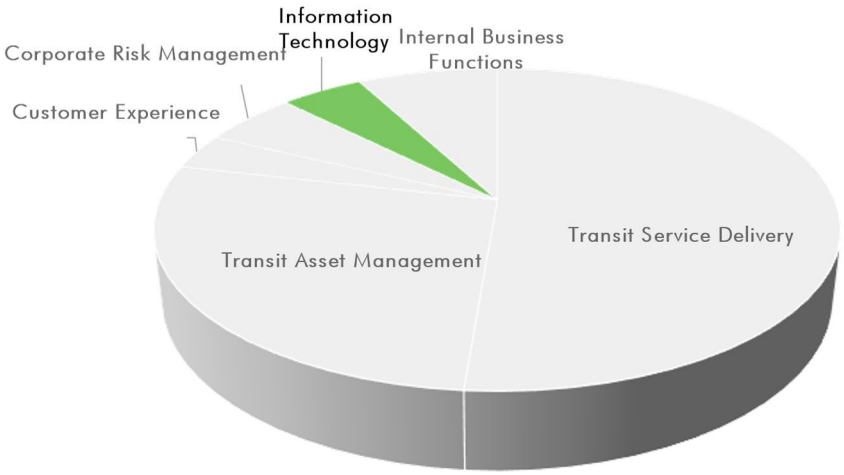
## CORPORATE RISK MANAGEMENT




| Corporate Risk Management ($) | |
|---|---|
| Risk Management | 6,804,965 |
| Environmental Health and Safety | 983,819 |
| Total | 7,788,784 |

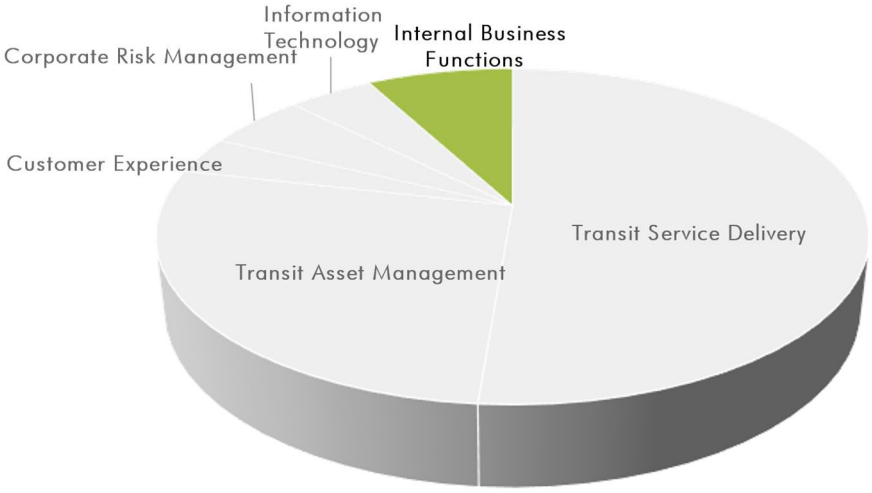
# Operating Expense Highlights (cont'd)

## INFORMATION TECHNOLOGY




| Information Technology ($) | |
|---|---|
| Information Technology | 6,794,500 |
| Total | 6,794,500 |

## INTERNAL BUSINESS FUNCTIONS

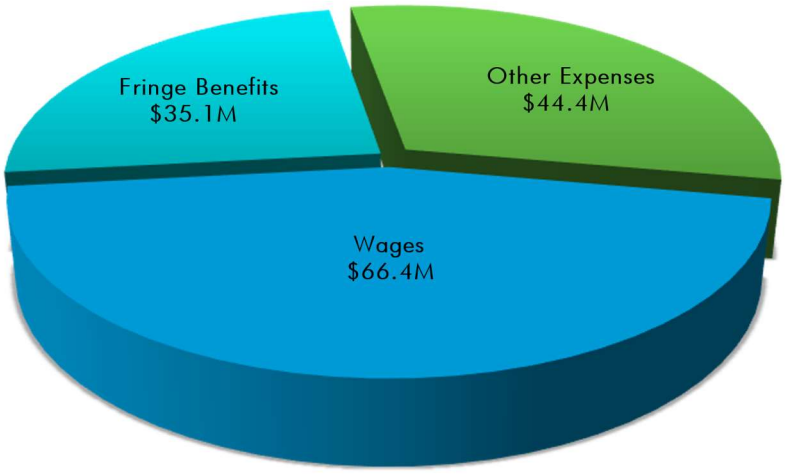



| Internal Business Functions ($) | |
|---|---|
| Finance and Budget | 3,963,423 |
| Organizational Development and Administration | 3,215,519 |
| Office of the CEO | 2,438,062 |
| Office of the Deputy CEO | 944,185 |
| Government Relations | 539,165 |
| Performance Management | 422,343 |
| Total | 11,522,697 |

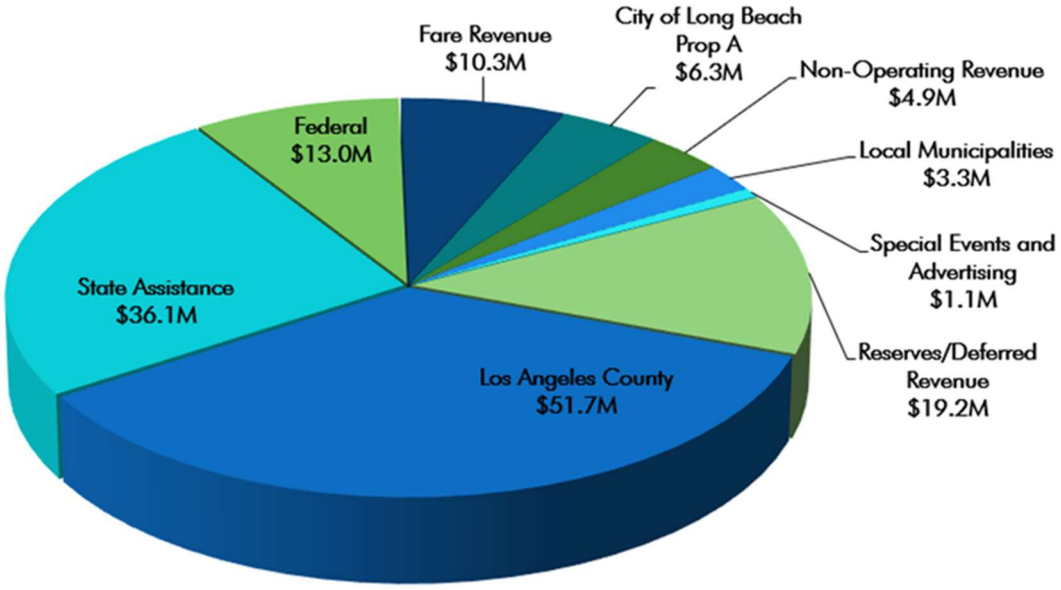
# Operating Expense Highlights (cont'd)

The agency is presenting a balanced operating budget for fiscal year 2027.

## Operating Expenses
## $145.9M




## Operating Revenue
## $145.9M

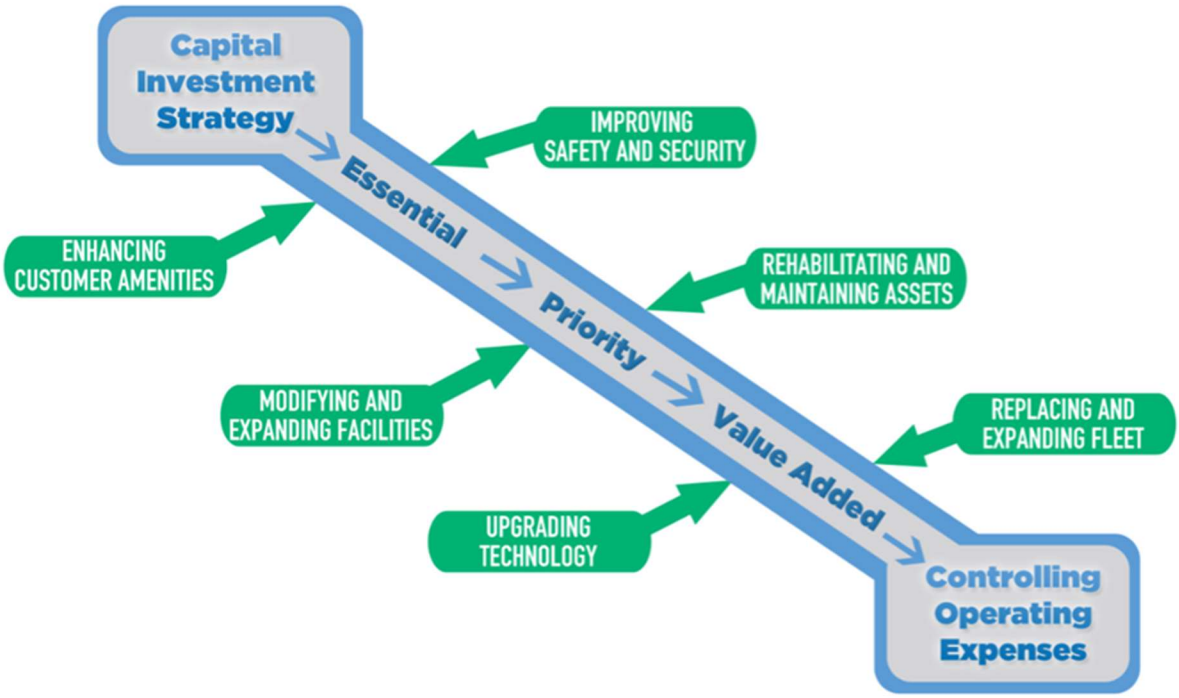


## CAPITAL STRATEGIC PRIORITIES

The FY 2027 capital projects have been developed and aligned with LBT's capital strategic focus and ranking. The capital projects were proposed by department managers and evaluated by the Key Performance Indicators (KPI) and analyst teams. The evaluators are an internal, cross-departmental group that reviews proposed capital projects using the matrix below. Fundable projects must demonstrate alignment with one of the agency's six strategic focuses depicted in green. Having met the criteria within these categories, essential projects will be funded first, followed by priority projects. Value-added projects are funded last. If funding is unavailable for a value-added project, the project can be resubmitted and reevaluated in a subsequent fiscal year, or submitters can work with Government Relations to seek discretionary funding opportunities.

The ELT reviewed the KPI team's recommendations to ensure that the FY 2027 capital budget best reflects LBT's Strategic Priorities and capital strategic focus.

## CAPITAL STRATEGIC FOCUS AND RANKING




## CAPITAL ANALYSIS PROCESS

## CAPITAL FUND BALANCE

To meet the agency's long-term capital needs, LBT applies sound government financial practices that require the accumulation and management of funds. The funds are also set aside to help provide for current outstanding commitments or critical needs that may arise in the future. These practices align with LBT's strategic priority to "Exercise Financial Accountability."

LBT's fund balances are derived from various federal, state, and local sources and contain balances that LBT currently holds in programmed and unprogrammed project accounts. The funds are held for various capital projects, including future project assignments.

| Funding Source | FY2026 Through Q3 | Estimated Addition | Estimated Expenditures | Estimated FY2027 |
|---|---|---|---|---|
| Federal | $ 47,424 | $ - | $ - | $ 47,424 |
| State | $ 951,052 | $ - | $ (48,975) | $ 902,077 |
| County | $ 183,005 | $ - | $ (10,610) | $ 172,395 |
| Total Fund Balance | $ 1,181,481 | $ - | $ (59,585) | $ 1,121,896 |

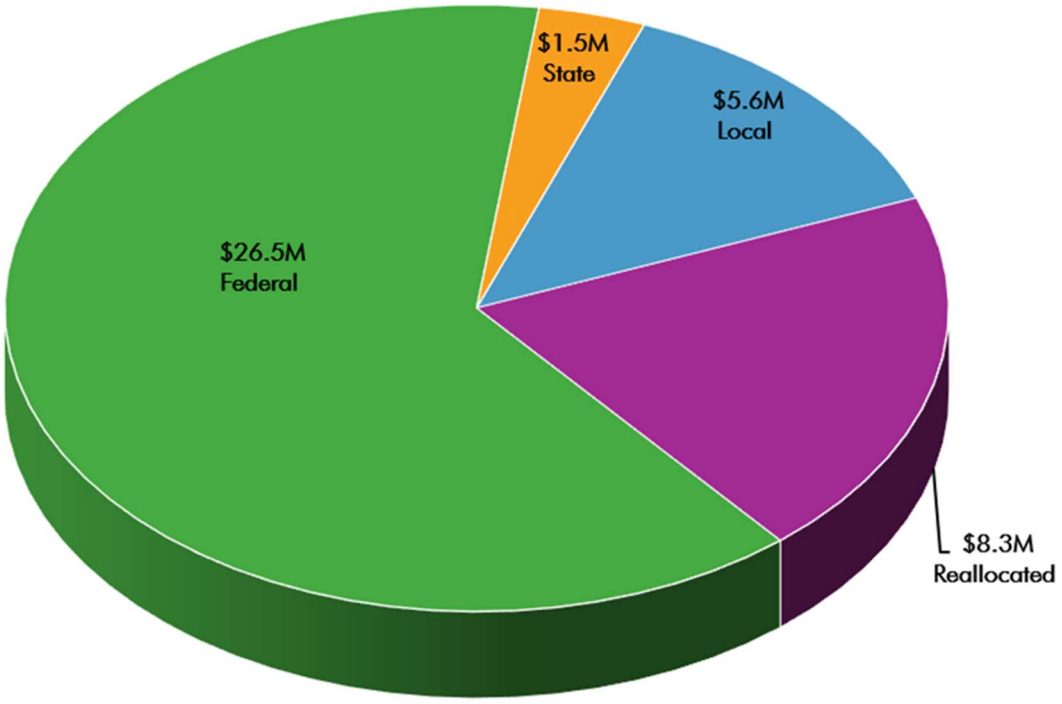
LBT funds the majority of its capital assets through annual grants awarded by the FTA. Federal grants are currently distributed by the region under Section 5307 of the Bipartisan Infrastructure Law, which allocates funds to urbanized areas based on a statutory formula driven by population, miles, and customers served. In addition to formula funding, the agency may receive discretionary grants for specific capital projects such as bus procurements and facility Infrastructure upgrades. Formula fundings are distributed through a Formula Allocation Procedure (FAP) by the regional transportation planning agency.

The Bipartisan Infrastructure Law, enacted on November 15, 2021, established funding levels and federal policy for the nation's highways and public transit systems for fiscal years 2022 through 2026.

## CAPITAL FUNDING SOURCES

### FY 2027 CAPITAL PROGRAM FUNDING SOURCES

### $41.9M



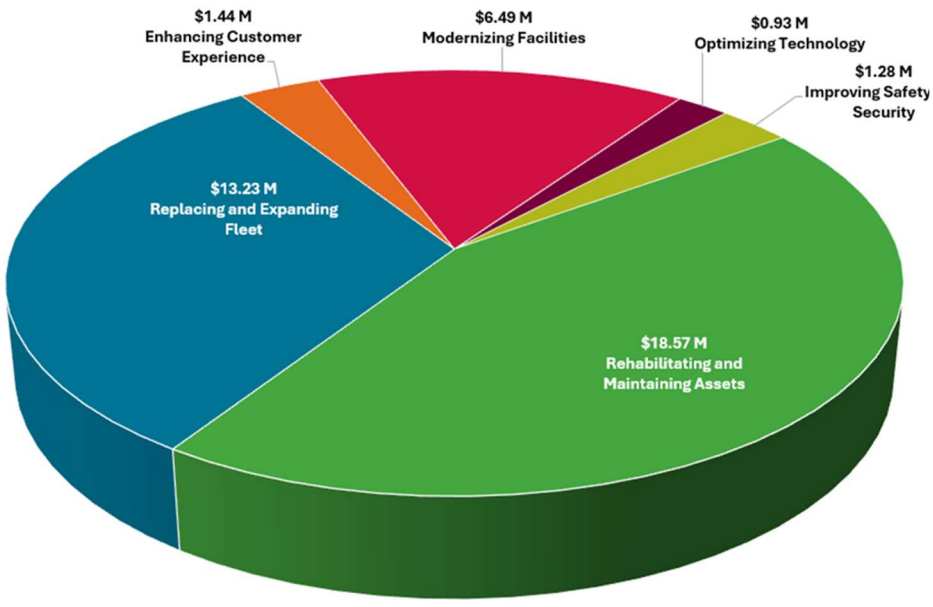
## CAPITAL PROGRAM

The FY 2027 capital projects have been evaluated in relation to one another in terms of priority, scope, and cost to ensure the most efficient resource allocation. This analysis allows LBT to further its long-term planning goals and prioritize organizational decisions.

The proposed capital budget for FY 2027 is approximately $41.9 million, which includes the following types of projects:

- Bus Charging Infrastructure Expansion
- Bus Rehabilitation
- Bus Replacement
- ERP/EAM Software Replacement
- Safety and Security Upgrades
- Bus Components to Maintain Assets in a "Like-New Condition."

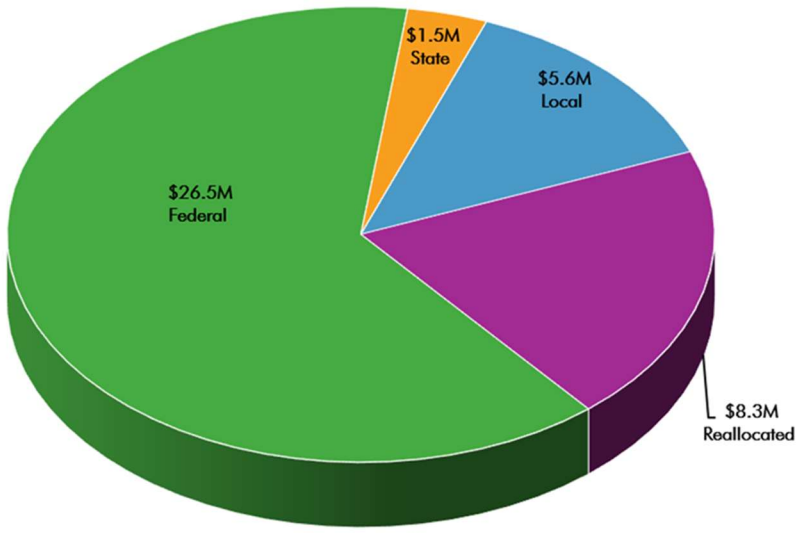
### FY 2027 CAPITAL PROJECTS ALLOCATION



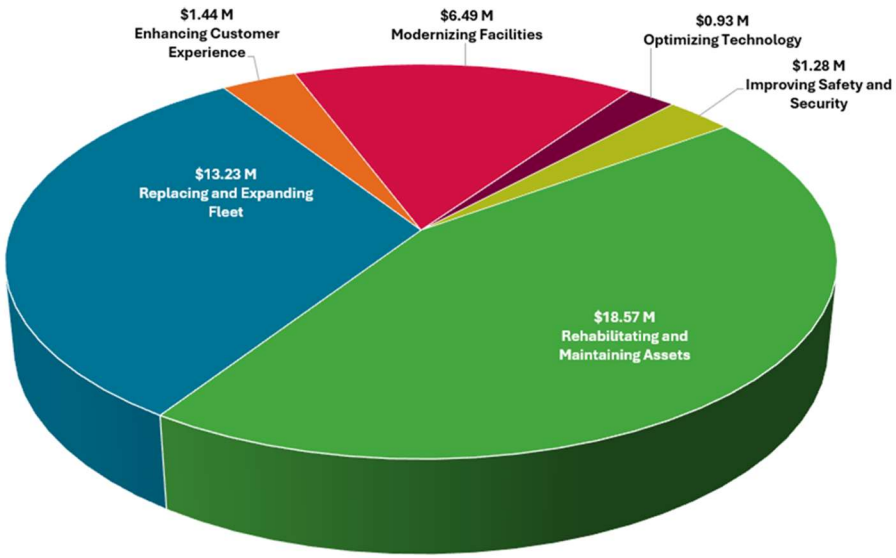

**$41.9M**

# Capital Program (cont'd)

## CAPITAL FUNDING
## $41.9M




## CAPITAL PROJECTS ALLOCATION
## $41.9M



# FY 2026 Distinguished Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished Budget Presentation Award*

PRESENTED TO

**Long Beach Transit**
**California**

For the Fiscal Year Beginning

**July 01, 2025**

Christopher P. Morrill

Executive Director

The Government Finance Officers Association (GFOA) of the United States and Canada presented a Distinguished Budget Presentation Award to LBT for its Annual Budget for the fiscal year beginning July 1, 2025. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide and as a communications device. This achievement was presented to the Board of Directors at the December 2025 meeting.

This award is valid for a period of one year only. LBT believes its FY 2027 budget contained within this document continues to conform to program requirements and is submitting it to the GFOA to determine its eligibility for another award.

# OPERATING REVENUE

# FY 2027
# Sources of Operating Revenue

| REVENUE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| Fare Revenue: | | | |
| Regular Cash Fares | $ 6,062,041 | $ 6,033,682 | $ 6,254,141 |
| Regular Pass Sales | 550,814 | 422,489 | 422,489 |
| Regular Day and 5-Day Pass | 284,576 | 249,533 | 249,533 |
| Interagency Transfers | 2,419 | 2,286 | 2,286 |
| Special/Senior Cash Fares | 1,281,384 | 1,289,214 | 1,289,214 |
| Special/Senior Pass Fares | 217,555 | 200,358 | 200,358 |
| Senior Day and 5-Day Pass | 244,762 | 231,486 | 231,486 |
| Student Pass Fares | 514,135 | 535,303 | 535,303 |
| Student GoPass (FSI) | 800,797 | 830,684 | 830,684 |
| Dial-A-Lift Fares | 44,676 | 46,571 | 46,600 |
| Water Taxi Fares | 298,702 | 251,958 | 275,663 |
| **Total Fare Revenue** | $ 10,301,862 | $ 10,093,564 | $ 10,337,757 |
| Special Events | $ 216,494 | $ 310,296 | $ 194,210 |
| Advertising | 320,380 | 837,500 | 862,500 |
| **Special Events and Advertising Revenue** | $ 536,874 | $ 1,147,796 | $ 1,056,710 |
| Non-Operating Revenue: | | | |
| Investment Revenue | $ 3,687,410 | $ 3,229,330 | $ 2,410,000 |
| Alternative Fuel Credits | 2,028,791 | $ 1,181,500 | $ 690,000 |
| Lease Revenue | 1,215,244 | $ 1,278,698 | $ 1,446,317 |
| Miscellaneous | 52,777 | $ 36,496 | $ 305,430 |
| **Total Non-Operating Revenue** | $ 6,984,223 | $ 5,726,024 | $ 4,851,747 |
| Subsidy Revenue: | | | |
| Prop A Local Return | | | |
| - City of Long Beach | $ 6,372,274 | $ 6,478,938 | $ 6,290,231 |
| Local Municipalities | 3,014,715 | $ 3,260,037 | $ 3,310,551 |
| Los Angeles County | 46,475,271 | $ 60,655,146 | $ 70,933,430 |
| State Assistance | 32,102,883 | $ 32,399,406 | $ 36,120,443 |
| Federal | 24,090,980 | $ 14,765,867 | $ 13,000,000 |
| **Total Subsidy Revenue** | $ 112,056,122 | $ 117,559,394 | $ 129,654,655 |
| **Total Revenues** | $ 129,879,080 | $ 134,526,778 | $ 145,900,869 |

NOTE: The allocation of operating subsidies is based on the most recent annual funding marks supplied by Los Angeles County Metropolitan Transportation Authority (Metro). These funding marks are estimated. However, the Metro Board of Directors has not yet adopted final funding marks. LBT's Board of Directors will be advised should the funding marks be materially changed during the fiscal year.

# FY 2027 Operating Revenue by Mode

**ACTUAL FY 2025**

| Source | Total | Fixed Route | Dial-A-Lift | Water Taxi | Special Events |
|---|---|---|---|---|---|
| Fares | $ 10,301,862 | $ 9,958,483 | $ 44,676 | $ 298,702 | $ - |
| Special Events | 216,494 | - | - | 5,950 | 210,544 |
| Advertising | 320,380 | 320,380 | - | - | - |
| Non-Operating | 6,984,223 | 6,961,455 | - | 22,768 | - |
| City of Long Beach-Prop A Local Return | 6,372,274 | 6,372,274 | - | - | - |
| Local Municipalities | 3,014,715 | 2,901,918 | 112,797 | - | - |
| Los Angeles County | | | | | |
| Bus System Improvement Program (BSIP) | 952,947 | 952,947 | - | - | - |
| Foothill Mitigation | 1,123,000 | 1,123,000 | - | - | - |
| Measure M | 13,449,441 | 13,449,441 | - | - | - |
| Measure R | 7,472,438 | 7,472,438 | - | - | - |
| Prop A Discretionary | 18,036,133 | 17,669,081 | 367,052 | - | - |
| Prop C-Security Program | 2,797,077 | 2,797,077 | - | - | - |
| Service Expansion Program | 2,640,064 | 2,640,064 | - | - | - |
| Prop C MOSIP | 4,171 | 4,171 | - | - | - |
| State Assistance | | | | | |
| TDA | 19,688,679 | 18,166,912 | 855,804 | 665,963 | - |
| STA | 7,014,132 | 7,014,132 | - | - | - |
| SB1 | 5,320,072 | 5,320,072 | - | - | - |
| SB125 | 80,000 | 80,000 | - | - | - |
| LCTOP | - | - | - | - | - |
| TIRCP | - | - | - | - | - |
| Federal | | | | | |
| Preventative Maintenance | 1,700,000 | 1,700,000 | - | - | - |
| CRRSAA | - | - | - | - | - |
| ARPA | 22,363,948 | 22,363,948 | - | - | - |
| Other Misc. | 27,033 | 27,033 | - | - | - |
| **Total Revenues** | $ 129,879,080 | $ 127,294,824 | $ 1,380,329 | $ 993,383 | $ 210,544 |
| **Vehicle Service Hours (VSH)** | | 664,469 | | | |
| **Cost per VSH** | | $ 191.57 | | | |

**ESTIMATED FY 2026**

| Source | Total | Fixed Route | Dial-A-Lift | Water Taxi | Special Events |
|---|---|---|---|---|---|
| Fares | $ 10,093,564 | $ 9,795,035 | $ 46,571 | $ 251,958 | $ - |
| Special Events | 310,296 | - | - | 375 | 309,921 |
| Advertising | 837,500 | 837,500 | - | - | - |
| Non-Operating | 5,726,024 | 5,707,100 | - | 18,924 | - |
| City of Long Beach-Prop A Local Return | 6,478,938 | 6,478,938 | - | - | - |
| Local Municipalities | 3,260,037 | 3,170,655 | 89,382 | - | - |
| Los Angeles County | | | | | |
| Bus System Improvement Program (BSIP) | 981,535 | 981,535 | - | - | - |
| Foothill Mitigation | 974,451 | 974,451 | - | - | - |
| Measure M | 16,059,801 | 16,059,801 | - | - | - |
| Measure R | 19,247,859 | 19,247,859 | - | - | - |
| Prop A Discretionary | 18,524,348 | 18,033,185 | 491,163 | - | - |
| Prop C-Security Program | 2,147,886 | 2,147,886 | - | - | - |
| Service Expansion Program | 2,719,266 | 2,719,266 | - | - | - |
| Prop C MOSIP | - | - | - | - | - |
| State Assistance | | | | | |
| TDA | 16,834,157 | 14,887,559 | 1,023,189 | 923,409 | - |
| STA | 6,920,997 | 6,920,997 | - | - | - |
| SB1 | 5,209,116 | 5,209,116 | - | - | - |
| SB125 | 3,435,136 | 3,435,136 | - | - | - |
| TIRCP | - | - | - | - | - |
| Federal | | | | | |
| Preventative Maintenance | 10,000,000 | 10,000,000 | - | - | - |
| CRRSAA | - | - | - | - | - |
| ARPA | 4,765,867 | 4,765,867 | - | - | - |
| Other Misc. | - | - | - | - | - |
| **Total Revenues** | $ 134,526,778 | $ 131,371,886 | $ 1,650,305 | $ 1,194,666 | $ 309,921 |
| **Vehicle Service Hours (VSH)** | | 671,866 | | | |
| **Cost per VSH** | | $ 195.53 | | | |

# FY 2027 Operating Revenue by Mode (cont'd)

**PROPOSED FY 2027**

| Source | Total | Fixed Route | Dial-A-Lift | Water Taxi | Special Events |
|---|---|---|---|---|---|
| Fares | $ 10,337,757 | $ 10,015,494 | $ 46,600 | $ 275,663 | $ - |
| Special Events | 194,210 | - | - | 500 | 193,710 |
| Advertising | 862,500 | 862,500 | - | - | - |
| Non-Operating | 4,851,747 | 4,829,855 | - | 21,892 | - |
| City of Long Beach-Prop A Local Return | 6,290,231 | 6,290,231 | - | - | - |
| Local Municipalities | 3,310,551 | 3,225,638 | 84,913 | - | - |
| Los Angeles County | | | | | |
| Bus System Improvement Program (BSIP) | 1,010,981 | 1,010,981 | - | - | - |
| Foothill Mitigation | 958,296 | 958,296 | - | - | - |
| Measure M | 21,928,456 | 21,928,456 | - | - | - |
| Measure R | 12,818,962 | 12,818,962 | - | - | - |
| Prop A Discretionary | 29,125,998 | 28,395,309 | 730,689 | - | - |
| Prop C-Security Program | 2,289,893 | 2,289,893 | - | - | - |
| Service Expansion Program | 2,800,844 | 2,800,844 | - | - | - |
| Express Toll Revenue | - | - | - | - | - |
| State Assistance | | | | | |
| TDA | 28,946,585 | 26,503,025 | 1,406,750 | 1,036,810 | - |
| STA | 4,093,114 | 4,093,114 | - | - | - |
| SB1 | 3,080,744 | 3,080,744 | - | - | - |
| SB125 | - | - | - | - | - |
| Federal | | | | | |
| Preventative Maintenance | 13,000,000 | 13,000,000 | - | - | - |
| ARPA | - | - | - | - | - |
| **Total Revenues** | $ 145,900,869 | $ 142,103,342 | $ 2,268,952 | $ 1,334,865 | $ 193,710 |
| **Vehicle Service Hours (VSH)** | | 692,067 | | | |
| **Cost per VSH** | | $ 205.33 | | | |

# Descriptions of Operating Revenue

## Advertising

LBT receives revenues generated from advertising on the exterior of LBT buses.

## Alternative Fuel Credits

Fuel credits received for the use of alternative fuel in buses.

## City of Long Beach – Prop A Local Return

The City of Long Beach allocates a portion of its Proposition A funds to LBT for operating or capital purposes. Proposition A, approved by voters in November 1980, was the first local sales tax of its kind to bolster Los Angeles County's ability to respond to gridlock and mobility challenges.

Twenty-five percent (25%) of Proposition A funds are dedicated to the Local Return Program. The Proposition A ordinance requires that Local Return Program funds be used exclusively to benefit public transit. Eligible uses include expenditures related to fixed-route and paratransit services, transportation demand management, transportation systems management and fare subsidy programs.

## Fare Revenue

Monies collected from the farebox and TAP, transfers, tokens, daily/five-day/monthly passes, 25-ride coupons, Dial-A-Lift, AquaBus/AquaLink (Water Taxi) rides, and transportation program partnerships with community partners.

## Federal

Annually, LBT receives an apportionment of Section 5307 Urbanized Area Formula funds for its capital activities. The FTA allows such funds to be used for preventive maintenance.

- Preventive Maintenance
  Preventive Maintenance is defined as all the activities, supplies, materials, labor, services and associated costs required to preserve or extend the functionality and serviceability of the asset in a cost-effective manner, up to and including satisfactory maintenance of the assets. The costs and revenue associated with such funds are reflected in the operating budget.

# Descriptions of Operating Revenue (cont'd)

## Other Federal Sources

- The Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA)
  CRRSAA funds were disbursed through FTA apportionments to its Urbanized Area (Section 5307) eligible recipients. These funds were allocated to support the transit industry during the COVID-19 pandemic. CRRSAA funds were eligible and prioritized at 100% federal funding for operating expenses and may have been used for capital expenses.

- The American Rescue Plan Act of 2021 (ARPA)
  ARPA funds were disbursed through FTA apportionments to its Urbanized Area (Section 5307) eligible recipients. ARPA supported the nation's public transportation systems as they responded to the COVID-19 pandemic. ARPA funds were eligible and prioritized at 100% federal funding for operating expenses and may have been used for capital expenses.

## Lease Revenue

Revenue generated from leasing agreements of corporate administrative office building.

## Low Carbon Transit Operations Program (LCTOP)

LCTOP is part of the State of California's Transit, Affordable Housing, and Sustainable Communities Program. LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities

## Local Municipalities

LBT receives funds from eight municipal jurisdictions served by LBT — Bellflower, Carson, Cerritos, Hawaiian Gardens, Lakewood, Paramount, Seal Beach and Signal Hill.

## Los Angeles County

Los Angeles Metro allocates the revenues listed below to the Agency using the Formula Allocation Process (FAP). These revenues — Proposition A, Proposition C, Measure R and Measure M funds — are derived from half-cent local sales tax initiatives.

## FAP Funds

- Bus System Improvement Program (BSIP)
  Proposition C funds allocated to relieve overcrowding on transit-dependent service routes
- Foothill Mitigation
  Proposition C funds allocated to minimize funding impacts of adding Foothill Transit as a municipal operator
- Measure M
  Provides a county-wide half-cent sales tax dedicated to transportation, along with the indefinite extension of a prior half-cent transportation sales tax originally set to expire in 2039. These funds support the expansion and enhancement of fixed-route bus service in congested corridors
- Measure R
  Allocated to fund traffic relief and rail expansion according to an expenditure plan contained in the ordinance
- Proposition A Discretionary
  Allocated to fund bus services provided by Los Angeles Metro and 16 other municipal bus organizations within Los Angeles County, which includes LBT
- Proposition C Security
  Allocated for security programs such as the transit police program and ambassador program
- Proposition C Municipal Operator Service Improvement Program (MOSIP)
  Allocated for service enhancements and used as a match for our federal capital grants, which include preventive maintenance funds
- Service Expansion
  Proposition C funds allocated for expansion or introduction of fixed-route bus service in congested corridors

## Non-Operating Revenue

This miscellaneous revenue is mainly comprised of investment income, lease revenue and alternative fuel credits.

# Descriptions of Operating Revenue (cont'd)

## Special Events

LBT generates revenue by providing reserved service to community groups and events for public-private partnerships.

## State Assistance

The Mills-Alquist-Deddeh Act (SB 325) was enacted by the California Legislature to improve existing public transportation services and encourage regional transportation coordination. Known as the Transportation Development Act (TDA) of 1971, this law provides funding to be allocated to transit and non-transit related purposes that comply with regional transportation plans. The TDA funds are eligible to support a wide variety of transportation programs, including planning and program activities, pedestrian and bicycle facilities, community transit services, public transportation, as well as bus and rail projects.

TDA established two funding sources: the Local Transportation Fund (LTF) and the State Transit Assistance (STA) fund, with Senate Bill 1 (SB1) added as an additional funding source in 2017.

- TDA
  LTF funds, commonly known as TDA, are derived from a quarter cent of general sales tax collected statewide. This funding may also be used for local streets and roads, construction and maintenance

- STA
  Appropriated by the legislature to the State Controller's Office (SCO) and allocated by formula, STA funds are derived from the statewide sales taxes on diesel fuel. The amount of money available for transit agencies varies from year to year based on the fluctuation of diesel sales and prices. STA funding may only be used for transportation planning and mass transportation purposes

- Senate Bill (SB1)
  SB1, also known as the Road Repair and Accountability Act of 2017, funds are generated through a 12-cent excise tax added to each gallon of gasoline, 20-cent excise tax added to each gallon of diesel fuel, and an increased vehicle registration fee
- Senate Bill (SB 125)
  SB 125, passed in 2021, provides transit agencies with supplemental funding intended to support transit agencies in buying buses, transitioning to low- or no-emission buses, modernizing bus facilities and more. SB 125 funds are one-time in nature and can be used to fund transit operating and capital improvements.

- Senate Bill (SB 434)
  SB 434 requires transit operators to collect and publish survey data, with funding from Caltrans to improve rider safety and reduce street harassment. The bill emphasizes outreach to underrepresented rider groups and requires data to be posted publicly and shared with the Governor and Legislature. SB 434 funds are one-time in nature.

# OPERATING EXPENDITURES

# FY 2027 Operating Budget Summary – All Departments

| | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| **Wages** | | | |
| Transit Service Delivery | $ 37,629,388 | $ 40,124,455 | $ 41,678,534 |
| Transit Asset Management | 12,517,278 | 12,859,468 | 13,553,132 |
| Customer Experience | 2,278,888 | 2,564,550 | 2,856,007 |
| Risk Management | 675,076 | 782,392 | 813,652 |
| Information Technology | 1,201,443 | 1,432,955 | 1,632,572 |
| Internal Business Functions | 4,640,376 | 5,112,090 | 5,875,180 |
| | $ 58,942,449 | $ 62,875,910 | $ 66,409,077 |
| **Fringe Benefits** | | | |
| Transit Service Delivery | $ 24,887,342 | $ 21,584,287 | $ 24,742,406 |
| Transit Asset Management | 5,355,565 | 5,101,577 | 5,958,647 |
| Customer Experience | 765,498 | 868,228 | 1,054,078 |
| Risk Management | 254,478 | 288,666 | 336,584 |
| Information Technology | 457,615 | 513,350 | 593,100 |
| Internal Business Functions | 1,820,379 | 2,065,905 | 2,409,218 |
| | $ 33,540,877 | $ 30,422,013 | $ 35,094,033 |
| **Other Expenses** | | | |
| Transit Service Delivery | $ 5,594,967 | $ 7,129,324 | $ 8,630,779 |
| Transit Asset Management | 13,103,516 | 13,765,755 | 14,106,324 |
| Fuel & Lubricants | 5,477,166 | 5,736,389 | 5,901,581 |
| Customer Experience | 1,344,445 | 1,297,689 | 1,313,400 |
| Risk Management | 5,126,253 | 7,086,921 | 6,638,548 |
| Information Technology | 3,866,013 | 3,830,437 | 4,568,828 |
| Internal Business Functions | 2,883,394 | 2,382,340 | 3,238,299 |
| | $ 37,395,754 | $ 41,228,855 | $ 44,397,759 |
| **Total Operating Budget** | $ 129,879,080 | $ 134,526,778 | $ 145,900,869 |

# Descriptions of Operating Expenses

The following sections present the operating expense budgets by department. Below are the definitions of the operating expense categories presented in the departmental budgets.

## Advertising

Cost of services for an outside advertising agency to develop advertising and marketing programs to generate public awareness and grow ridership.

## Auto Allowance

Fixed monthly payments to specified employees using their personal automobiles for LBT business.

## Banking Services

Fees charged for routine banking services such as direct deposit, check processing, armored car pick-up and vault deposits.

## Banking Supplies

Materials and supplies used in processing coin and currency deposits, as well as check stock.

## Casualty and Liability

Payments made to external parties for claim settlements, legal fees, medical expenses and depositions, and includes the adjustment to reserves to reflect new, closed and outstanding claims as submitted and determined by the agency's third-party claims administrator.

## Debt Financing

Interest expenses associated with promissory note payments.

## Defined Contribution

Employer 401(a) match for deferred compensation contributions made by staff employees hired on or after April 1, 2011.

## Dental and Vision

Employer premium payments to insurance carriers for employees' dental and vision insurance.

# Descriptions of Operating Expenses (Cont'd)

## Dues and Subscriptions

Memberships and subscriptions for industry-based associations, professional organizations, and periodicals.

## Employment Physicals

Medical costs associated with pre-employment physical examinations as a condition for LBT employment, as well as physical examinations for employees returning from a 30+ day leave of absence.

## Federal Insurance Contributions Act (FICA)

Employer contributions to the Social Security Fund pursuant to FICA.

## Fringe Benefits

Expenses incurred for employees' health insurance, workers' compensation, retirement plans and family and medical leave.

## Fuel

Cost of fuel and electricity used to operate buses and non-revenue service vehicles.

## Fuel Use Tax and Storage Fee

State and federal taxes assessed based on fuel usage.

## Health Benefits

Employer premium payments to insurance carriers for employees' health insurance, and also includes accumulated sick leave and health care reimbursements to eligible retirees.

## Life Insurance

Employer premium payments to insurance carriers for employees' life insurance.

## Lubricants

Costs of lubricants used for buses and non-revenue service vehicles.

### Materials and Supplies

All parts and materials for bus repair and fleet maintenance, facility infrastructure and bus stop maintenance, as well as general materials and supplies used for daily administrative operations and training programs.

### Other Fringe Benefits

Expenses incurred for employee assistance programs, attendance and safety awards, tuition reimbursement, etc.

### Other Insurance

Premiums for miscellaneous insurance coverage such as excess workers' compensation, forgery, theft and computers.

### Other Miscellaneous Expenses

Minor miscellaneous expense.

### Other Miscellaneous Services

Minor miscellaneous service expenses.

### Pension

Employer contributions to the employees' pension funds.

### Pre-Employment Processing

Expenses generated from the pre-employment screening process.

### Premium Auto and General Liability Insurance

Insurance premiums for excess liability coverage paid to the carrier.

### Premium Property Insurance

Insurance premiums for physical damage insurance paid to the carrier.

### Prescription Reimbursement

Reimbursement for the difference between employees' medical prescription co-payments dictated in the Amalgamated Transit Union (ATU) Local 1277 collective bargaining agreement and allowable amounts per the agency's health insurance policy.

# Descriptions of Operating Expenses (Cont'd)

## Professional Services

Fees paid to professionals for services rendered such as management consultants, auditors, claim administrators and attorneys.

## Property Lease

Payment for use of leased property.

## Property Taxes and Fees

Payment of taxes for property and fees levied by local or state governments.

## Purchased Transportation

Contracted services to operate the Dial-A-Lift and Water Taxi programs .

## Recovery–Property Claims

Money received in settlement of physical damage claims from outside parties.

## Recruitment Expenses

Advertising expenses associated with the recruitment of new employees.

## Schedules Production and Printing

Costs associated with printing, formatting, layout, art and graphics of schedule and marketing materials.

## Security Services

Costs associated with patrol and alarm services, security guards for facilities and the transit enforcement detail .

## Small Tools

Miscellaneous small-tool purchases not covered under the capital program, which are retained for use by all maintenance employees.

## Technical Services

Payment to outside vendors for maintenance of agency assets such as computers, farebox equipment, office equipment, facility and fleet repairs, as well as public restroom oversight.

# Descriptions of Operating Expenses (Cont'd)

### Ticket/Pass Printing

Printing costs for one-ride coupons, as well as daily, five-day and monthly passes.

### Tool Allowance

Fixed amount given to mechanics toward purchase of their tools.

### Travel and Meetings

Costs of conferences, seminars, meetings, lodging, travel and transportation to conduct LBT business.

### Unemployment

Employer payments to the State of California for employees' unemployment insurance benefits.

### Uniform Allowance

The uniform cleaning costs for mechanics, warehouse, and revenue personnel, and a fixed amount towards purchase of uniforms for operators, Transit Service Delivery supervisors, Customer Service clerks, ride checkers, and warehouse and revenue personnel.

### Utilities

Cost of electricity, gas, water, sewer, internet and telephone.

### Wages

Payment for work performed which may include overtime, vacation and sick leave benefits.

### Workers' Compensation

Expenses incurred for disability payments, medical treatment, attorneys' fees, court depositions, travel, etc., and include the adjustment of reserves to reflect new, closed and outstanding claims as submitted and determined by the agency's third-party claims administrator.

# TRANSIT SERVICE DELIVERY

# FY 2027 Transit Service Delivery and Planning Budget Summary

| | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| **Wages** | | | |
| Transit Service Delivery | $ 35,058,344 | $ 37,279,912 | $ 38,721,848 |
| Transit Service Planning | 881,857 | 966,663 | 1,082,372 |
| Dial-A-Lift Services | 98,479 | 107,417 | 108,180 |
| Aqua Services | - | - | - |
| Security | 136,837 | 153,094 | 150,649 |
| Training and Development | 1,076,944 | 1,149,223 | 1,167,817 |
| Administration | 376,919 | 468,146 | 447,668 |
| | $ 37,629,380 | $ 40,124,455 | $ 41,678,534 |
| **Fringe Benefits** | | | |
| Transit Service Delivery | $ 23,958,422 | $ 20,584,295 | $ 23,567,567 |
| Transit Service Planning | 243,209 | 264,926 | 306,125 |
| Dial-A-Lift Services | 46,943 | 43,128 | 46,647 |
| Aqua Services | - | - | - |
| Security | 31,246 | 35,193 | 35,484 |
| Training and Development | 437,189 | 489,556 | 529,527 |
| Administration | 170,333 | 167,189 | 257,056 |
| | $ 24,887,342 | $ 21,584,287 | $ 24,742,406 |
| **Other Expenses** | | | |
| Transit Service Delivery | $ - | $ - | $ - |
| Transit Service Planning | 223,196 | 678,334 | 586,566 |
| Dial-A-Lift Services | 1,234,907 | 1,499,760 | 2,114,125 |
| Aqua Services | 993,383 | 1,194,666 | 1,334,865 |
| Security | 3,066,419 | 3,642,133 | 4,144,389 |
| Training and Development | 57,946 | 58,668 | 107,789 |
| Administration | 19,116 | 55,763 | 343,045 |
| | $ 5,594,967 | $ 7,129,324 | $ 8,630,779 |
| **Total Transit Service Budget** | $ 68,111,689 | $ 68,838,066 | $ 75,051,719 |

# FY 2027
# Transit Service Delivery

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Superintendents | | | |
| Full-Time | $ 237,956 | $ 285,299 | $ 290,267 |
| Operators | | | |
| Full-Time | 27,941,600 | 30,283,370 | 31,744,929 |
| Student | 576,174 | 360,824 | 375,500 |
| Overtime | 1,175,046 | 902,551 | 573,000 |
| Vacation | 2,379,793 | 2,556,420 | 2,760,700 |
| Supervisors | | | |
| Full-Time | 2,543,277 | 2,677,038 | 2,811,068 |
| Additional Pay | 204,498 | 214,410 | 166,384 |
| TOTAL WAGES | $ 35,058,344 | $ 37,279,912 | $ 38,721,848 |
| FICA | $ 2,424,901 | $ 2,605,037 | $ 2,918,283 |
| PENSION | 4,130,514 | 3,426,193 | 4,505,474 |
| DEFINED CONTRIBUTION | 114,234 | 126,082 | 188,209 |
| HEALTH BENEFITS | 6,119,994 | 6,470,508 | 7,458,154 |
| DENTAL & VISION | 333,673 | 321,104 | 368,406 |
| LIFE INSURANCE | 55,671 | 58,394 | 65,127 |
| WORKERS' COMPENSATION | 10,610,991 | 7,410,395 | 7,869,614 |
| UNIFORM ALLOWANCE | 159,444 | 155,782 | 183,500 |
| AUTO ALLOWANCE | 9,000 | 10,800 | 10,800 |
| TOTAL FRINGE BENEFITS | $ 23,958,422 | $ 20,584,295 | $ 23,567,567 |
| TOTAL DIVISION EXPENSES | $ 59,016,766 | $ 57,864,207 | $ 62,289,415 |

# FY 2027
# Transit Service Planning

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 665,590 | $ 737,163 | $ 804,879 |
| Part-Time | 200,685 | 196,300 | 216,533 |
| Intern | 15,582 | 33,200 | 60,960 |
| TOTAL WAGES | $ 881,857 | $ 966,663 | $ 1,082,372 |
| FICA | $ 66,642 | $ 72,294 | $ 83,119 |
| PENSION | 39,081 | 31,536 | 37,200 |
| DEFINED CONTRIBUTION | 34,066 | 39,548 | 62,332 |
| HEALTH BENEFITS | 90,514 | 104,996 | 105,574 |
| DENTAL & VISION | 3,794 | 4,312 | 4,720 |
| LIFE INSURANCE | 4,359 | 4,840 | 5,780 |
| UNIFORM ALLOWANCE | 253 | 2,000 | 2,000 |
| AUTO ALLOWANCE | 4,500 | 5,400 | 5,400 |
| TOTAL FRINGE BENEFITS | $ 243,209 | $ 264,926 | $ 306,125 |
| PROFESSIONAL SERVICES | $ 222,410 | $ 677,334 | $ 585,566 |
| OTHER MISC. EXPENSES | 786 | 1,000 | 1,000 |
| TOTAL OTHER EXPENSES | $ 223,196 | $ 678,334 | $ 586,566 |
| TOTAL DIVISION EXPENSES | $ 1,348,262 | $ 1,909,923 | $ 1,975,063 |

# FY 2027
# Dial-A-Lift Services

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full Time | $ 98,479 | $ 107,417 | $ 108,180 |
| TOTAL WAGES | $ 98,479 | $ 107,417 | $ 108,180 |
| FICA | $ 7,173 | $ 7,623 | $ 8,230 |
| PENSION | 24,580 | 19,495 | 21,517 |
| HEALTH BENEFITS | 13,818 | 14,558 | 15,318 |
| DENTAL & VISION | 734 | 789 | 807 |
| LIFE INSURANCE | 638 | 663 | 775 |
| TOTAL FRINGE BENEFITS | $ 46,943 | $ 43,128 | $ 46,647 |
| PROFESSIONAL SERVICES | $ - | $ 2,000 | $ 2,060 |
| PURCHASED TRANSPORTATION | | | |
| Dial-A-Lift | 1,234,907 | 1,497,760 | 2,112,065 |
| TOTAL OTHER EXPENSES | $ 1,234,907 | $ 1,499,760 | $ 2,114,125 |
| TOTAL DIVISION EXPENSES | $ 1,380,329 | $ 1,650,305 | $ 2,268,952 |

# FY 2027
# Water Taxi Services

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| PROFESSIONAL SERVICES | $ 18,346 | $ 29,291 | $ 30,047 |
| TECHNICAL SERVICES | 81,122 | 174,012 | 164,462 |
| PURCHASED TRANSPORTATION WATER TAXIS | | | |
| AquaBus | 120,472 | 217,094 | 251,671 |
| AquaLink | 740,359 | 741,078 | 855,913 |
| Aqua Special Events | 4,575 | 3,523 | 3,580 |
| Aqua Services Advertising | 28,509 | 29,668 | 29,192 |
| TOTAL OTHER EXPENSES | $ 993,383 | $ 1,194,666 | $ 1,334,865 |
| TOTAL DIVISION EXPENSES | $ 993,383 | $ 1,194,666 | $ 1,334,865 |

# FY 2027
# Security

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full Time | $ 136,837 | $ 153,094 | $ 150,649 |
| TOTAL WAGES | $ 136,837 | $ 153,094 | $ 150,649 |
| FICA | $ 10,646 | $ 11,910 | $ 11,925 |
| DEFINED CONTRIBUTION | 13,904 | 15,556 | 15,588 |
| HEALTH BENEFITS | - | - | - |
| DENTAL & VISION | 1,315 | 1,416 | 1,449 |
| LIFE INSURANCE | 881 | 911 | 1,122 |
| AUTO ALLOWANCE | 4,500 | 5,400 | 5,400 |
| TOTAL FRINGE BENEFITS | $ 31,246 | $ 35,193 | $ 35,484 |
| SECURITY SERVICES | $ 3,066,419 | $ 3,642,133 | $ 4,144,389 |
| TOTAL OTHER EXPENSES | $ 3,066,419 | $ 3,642,133 | $ 4,144,389 |
| TOTAL DIVISION EXPENSES | $ 3,234,502 | $ 3,830,420 | $ 4,330,522 |

# FY 2027
# Training and Development

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 220,303 | $ 237,006 | $ 237,899 |
| Supervisors | | | |
| Full-Time | 846,501 | 908,058 | 926,601 |
| Additional Pay | 10,140 | 4,159 | 3,317 |
| TOTAL WAGES | $ 1,076,944 | $ 1,149,223 | $ 1,167,817 |
| FICA | $ 78,043 | $ 82,329 | $ 89,631 |
| PENSION | 239,858 | 190,583 | 212,419 |
| DEFINED CONTRIBUTION | 10,257 | 10,563 | 10,955 |
| HEALTH BENEFITS | 86,849 | 180,948 | 189,810 |
| DENTAL & VISION | 8,667 | 8,958 | 9,277 |
| LIFE INSURANCE | 6,915 | 7,175 | 8,435 |
| AUTO ALLOWANCE | 6,600 | 9,000 | 9,000 |
| TOTAL FRINGE BENEFITS | $ 437,189 | $ 489,556 | $ 529,527 |
| PROFESSIONAL SERVICES | $ 54,605 | $ 49,798 | $ 99,334 |
| MATERIALS & SUPPLIES | 3,125 | 8,261 | 6,954 |
| OTHER MISC. EXPENSES | 216 | 609 | 1,501 |
| TOTAL OTHER EXPENSES | $ 57,946 | $ 58,668 | $ 107,789 |
| TOTAL DIVISION EXPENSES | $ 1,572,079 | $ 1,697,447 | $ 1,805,133 |

# FY 2027 Transit Service Delivery and Planning Administration

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full Time | $ 376,919 | $ 451,129 | $ 447,668 |
| Intern | - | 17,017 | - |
| TOTAL WAGES | $ 376,919 | $ 468,146 | $ 447,668 |
| FICA | $ 25,432 | $ 30,181 | $ 30,501 |
| DEFINED CONTRIBUTION | 29,330 | 38,748 | 45,766 |
| HEALTH BENEFITS | 29,228 | 37,846 | 26,993 |
| DENTAL & VISION | 1,913 | 2,034 | 1,506 |
| LIFE INSURANCE | 2,175 | 2,496 | 2,595 |
| UNEMPLOYMENT | 59,507 | 28,909 | 34,700 |
| AUTO ALLOWANCE | 9,000 | 10,800 | 10,800 |
| OTHER FRINGES | 13,748 | 16,175 | 104,195 |
| TOTAL FRINGE BENEFITS | $ 170,333 | $ 167,189 | $ 257,056 |
| PROFESSIONAL SERVICES | $ - | $ 29,163 | $ 313,809 |
| OTHER MISC. EXPENSES | 19,116 | 26,600 | 29,236 |
| TOTAL OTHER EXPENSES | $ 19,116 | $ 55,763 | $ 343,045 |
| TOTAL DIVISION EXPENSES | $ 566,368 | $ 691,098 | $ 1,047,769 |

# TRANSIT ASSET MANAGEMENT

# FY 2027 Transit Asset Management Budget Summary

| | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| **Wages** | | | |
| Vehicle Maintenance | $ 9,254,052 | $ 9,407,938 | $ 9,802,750 |
| Infrastructure | 1,193,341 | 1,275,849 | 1,292,046 |
| Warehouse | 848,777 | 883,406 | 920,333 |
| Contracts and Procurement | 426,056 | 459,958 | 533,189 |
| Project Delivery & Contracts | 239,462 | 262,186 | 414,298 |
| Administration | 555,590 | 570,131 | 590,516 |
| | $ 12,517,278 | $ 12,859,468 | $ 13,553,132 |
| **Fringe Benefits** | | | |
| Vehicle Maintenance | $ 4,007,907 | $ 3,764,544 | $ 4,363,311 |
| Infrastructure | 624,109 | 517,234 | 633,915 |
| Warehouse | 355,022 | 339,198 | 394,600 |
| Contracts and Procurement | 133,202 | 173,109 | 199,525 |
| Project Delivery & Contracts | 54,951 | 101,317 | 144,429 |
| Administration | 180,374 | 206,175 | 222,867 |
| | $ 5,355,565 | $ 5,101,577 | $ 5,958,647 |
| **Other Expenses** | | | |
| Vehicle Maintenance | $ 7,315,086 | $ 7,824,293 | $ 7,823,349 |
| Infrastructure | 5,744,724 | 5,825,542 | 6,178,951 |
| Warehouse | 24,625 | 21,217 | 33,524 |
| Contracts and Procurement | 8,180 | 28,203 | 13,000 |
| Project Delivery & Contracts | - | - | - |
| Administration | 10,901 | 66,500 | 57,500 |
| | $ 13,103,516 | $ 13,765,755 | $ 14,106,324 |
| **Total Maintenance and Infrastructure Budget** | $ 30,976,359 | $ 31,726,800 | $ 33,618,103 |
| **Fuel & Lubricants Budget** | $ 5,477,166 | $ 5,736,389 | $ 5,901,581 |

# FY 2027
# Vehicle Maintenance

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Fleet Managers | | | |
| Full-Time | $ 271,168 | $ 295,704 | $ 297,768 |
| Mechanics and Utilities | | | |
| Full-Time | 5,854,170 | 6,123,142 | 6,756,305 |
| Overtime | 1,016,085 | 858,950 | 451,387 |
| Vacation | 383,861 | 372,107 | 444,248 |
| Supervisors | | | |
| Full-Time | 1,627,806 | 1,626,133 | 1,754,947 |
| Additional Pay | 100,962 | 131,902 | 98,095 |
| TOTAL WAGES | $ 9,254,052 | $ 9,407,938 | $ 9,802,750 |
| FICA | $ 649,181 | $ 666,140 | $ 750,852 |
| PENSION | 1,019,154 | 890,334 | 1,065,160 |
| DEFINED CONTRIBUTION | 91,840 | 91,544 | 142,626 |
| HEALTH BENEFITS | 1,255,820 | 1,452,484 | 1,543,238 |
| DENTAL & VISION | 68,865 | 75,501 | 79,069 |
| LIFE INSURANCE | 19,568 | 20,535 | 22,863 |
| WORKERS' COMPENSATION | 766,725 | 408,849 | 568,639 |
| TOOL ALLOWANCE | 127,754 | 148,357 | 180,064 |
| AUTO ALLOWANCE | 9,000 | 10,800 | 10,800 |
| TOTAL FRINGE BENEFITS | $ 4,007,907 | $ 3,764,544 | $ 4,363,311 |

# FY 2027
# Vehicle Maintenance (cont'd)

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| TECHNICAL SERVICES | | | |
| Buses | $ 833,229 | $ 843,571 | $ 873,133 |
| Service Vehicles | 139,501 | 136,181 | 116,000 |
| MATERIALS & SUPPLIES | 6,254,947 | 6,728,596 | 6,712,949 |
| SMALL TOOLS | 62,773 | 89,307 | 85,000 |
| OTHER MISC. EXPENSES | 24,636 | 26,638 | 36,267 |
| TOTAL OTHER EXPENSES | $ 7,315,086 | $ 7,824,293 | $ 7,823,349 |
| TOTAL DIVISION EXPENSES | $ 20,577,045 | $ 20,996,775 | $ 21,989,410 |

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Facilities | | | |
| Full-Time | $ - | $ - | $ - |
| Supervisors and Technicians | | | |
| Full-Time | 559,302 | 594,598 | 602,368 |
| Additional Pay | 15,556 | 14,565 | 15,000 |
| Overtime | 21,065 | 17,717 | 13,241 |
| Custodians | | | |
| Full-Time | 521,962 | 567,247 | 600,233 |
| Overtime | 44,268 | 36,993 | 12,742 |
| Vacation | 31,188 | 44,729 | 48,462 |
| TOTAL WAGES | $ 1,193,341 | $ 1,275,849 | $ 1,292,046 |
| FICA | $ 85,375 | $ 91,268 | $ 98,830 |
| PENSION | 98,637 | 87,693 | 102,248 |
| DEFINED CONTRIBUTION | 44,154 | 47,380 | 51,658 |
| HEALTH BENEFITS | 171,097 | 190,209 | 208,319 |
| DENTAL & VISION | 11,315 | 11,472 | 12,227 |
| LIFE INSURANCE | 4,424 | 4,567 | 5,550 |
| WORKERS' COMPENSATION | 209,107 | 84,645 | 155,083 |
| AUTO ALLOWANCE | - | - | - |
| TOTAL FRINGE BENEFITS | $ 624,109 | $ 517,234 | $ 633,915 |

# FY 2027
# Infrastructure (cont'd)

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| PROFESSIONAL SERVICES | $ 384,462 | $ 556,464 | $ 614,066 |
| TECHNICAL SERVICES | | | |
| Farebox Revenue Equipment | 11,504 | 595 | 10,000 |
| Facility | 1,109,719 | 1,117,940 | 1,057,550 |
| Hazardous Material Removal | 167,432 | 84,261 | 142,000 |
| CNG Services | 271,395 | 278,424 | 331,284 |
| SECURITY SERVICES | 516,608 | 538,516 | 647,517 |
| MATERIALS & SUPPLIES | 499,636 | 483,972 | 506,991 |
| UTILITIES | 1,541,449 | 1,622,168 | 1,687,967 |
| PREM. PROPERTY INSURANCE | 85,933 | 97,105 | 109,027 |
| PROPERTY TAXES AND FEES | 619,022 | 617,236 | 645,619 |
| DEBT FINANCING | - | - | - |
| PROPERTY LEASE | 537,564 | 428,861 | 426,930 |
| TOTAL OTHER EXPENSES | $ 5,744,724 | $ 5,825,542 | $ 6,178,951 |
| TOTAL DIVISION EXPENSES | $ 7,562,174 | $ 7,618,625 | $ 8,104,912 |

# FY 2027
# Warehouse

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | 136,107 | 124,827 | 151,860 |
| Intern | 1,516 | 10,183 | 11,333 |
| Parts Storekeepers | | | |
| Full-Time | 680,247 | 712,202 | 734,140 |
| Overtime | 30,907 | 36,194 | 23,000 |
| TOTAL WAGES | $ 848,777 | $ 883,406 | $ 920,333 |
| FICA | 62,931 | 66,055 | 71,885 |
| PENSION | 65,388 | 22,838 | 20,902 |
| DEFINED CONTRIBUTION | 44,379 | 63,317 | 82,382 |
| HEALTH BENEFITS | 159,044 | 165,488 | 194,720 |
| DENTAL & VISION | 9,057 | 7,944 | 8,847 |
| LIFE INSURANCE | 5,170 | 4,938 | 6,684 |
| UNIFORM ALLOWANCE | 4,553 | 3,218 | 3,780 |
| AUTO ALLOWANCE | 4,500 | 5,400 | 5,400 |
| TOTAL FRINGE BENEFITS | $ 355,022 | $ 339,198 | $ 394,600 |
| PROFESSIONAL SERVICES | 4,947 | 9,000 | 10,000 |
| MATERIALS & SUPPLIES | 19,462 | 11,552 | 22,724 |
| OTHER MISC. EXPENSES | 216 | 665 | 800 |
| TOTAL OTHER EXPENSES | $ 24,625 | $ 21,217 | $ 33,524 |
| TOTAL DIVISION EXPENSES | $ 1,228,424 | $ 1,243,821 | $ 1,348,457 |

# FY 2027
# Contracts and Procurement

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 421,818 | $ 443,671 | $ 524,349 |
| Intern | 4,238 | 16,287 | 8,840 |
| TOTAL WAGES | $ 426,056 | $ 459,958 | $ 533,189 |
| FICA | $ 32,420 | $ 35,002 | $ 43,231 |
| DEFINED CONTRIBUTION | 42,142 | 39,877 | 55,626 |
| HEALTH BENEFITS | 48,408 | 84,737 | 87,327 |
| DENTAL & VISION | 2,898 | 4,162 | 3,996 |
| LIFE INSURANCE | 2,834 | 3,931 | 3,945 |
| AUTO ALLOWANCE | 4,500 | 5,400 | 5,400 |
| TOTAL FRINGE BENEFITS | $ 133,202 | $ 173,109 | $ 199,525 |
| PROFESSIONAL SERVICES | $ 7,555 | $ 26,703 | $ 10,000 |
| OTHER MISC. SERVICES | 625 | 1,500 | 3,000 |
| TOTAL OTHER EXPENSES | $ 8,180 | $ 28,203 | $ 13,000 |
| TOTAL DIVISION EXPENSES | $ 567,438 | $ 661,270 | $ 745,714 |

# FY 2027 Project Delivery and Contractor Management

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | 239,462 | 256,143 | 397,298 |
| Intern | - | 6,043 | 17,000 |
| TOTAL WAGES | $ 239,462 | $ 262,186 | $ 414,298 |
| FICA | 18,847 | 20,538 | 32,082 |
| PENSION | - | - | - |
| DEFINED CONTRIBUTION | 24,232 | 26,146 | 40,237 |
| HEALTH BENEFITS | 4,894 | 46,221 | 61,789 |
| DENTAL & VISION | 849 | 983 | 2,081 |
| LIFE INSURANCE | 1,629 | 1,804 | 2,840 |
| UNEMPLOYMENT | - | - | - |
| AUTO ALLOWANCE | 4,500 | 5,625 | 5,400 |
| TOTAL FRINGE BENEFITS | $ 54,951 | $ 101,317 | $ 144,429 |
| PROFESSIONAL SERVICES | - | - | - |
| OTHER MISC. EXPENSES | - | - | - |
| TOTAL OTHER EXPENSES | $ - | $ - | $ - |
| TOTAL DIVISION EXPENSES | $ 294,413 | $ 363,503 | $ 558,727 |

# FY 2027
# Maintenance Administration

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | 555,590 | 567,298 | 573,516 |
| Intern | - | 2,833 | 17,000 |
| TOTAL WAGES | $ 555,590 | $ 570,131 | $ 590,516 |
| FICA | 39,690 | 40,028 | 45,724 |
| PENSION | 15,286 | 10,947 | 13,291 |
| DEFINED CONTRIBUTION | 44,998 | 47,471 | 55,670 |
| HEALTH BENEFITS | 57,837 | 83,699 | 83,878 |
| DENTAL & VISION | 4,441 | 4,296 | 4,171 |
| LIFE INSURANCE | 3,457 | 3,544 | 3,933 |
| UNEMPLOYMENT | 2,515 | (10) | - |
| AUTO ALLOWANCE | 12,150 | 16,200 | 16,200 |
| TOTAL FRINGE BENEFITS | $ 180,374 | $ 206,175 | $ 222,867 |
| PROFESSIONAL SERVICES | - | 59,000 | 50,000 |
| OTHER MISC. EXPENSES | 10,901 | 7,500 | 7,500 |
| TOTAL OTHER EXPENSES | $ 10,901 | $ 66,500 | $ 57,500 |
| TOTAL DIVISION EXPENSES | $ 746,865 | $ 842,806 | $ 870,883 |

# FY 2027
# Fuel and Lubricants

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 | |
|---|---|---|---|---|
| FUEL | | | | |
| Diesel | 17,362 | 16,814 | 14,586 | (1) |
| Unleaded Gas | 2,846,168 | 3,004,228 | 2,444,115 | (2) |
| Compressed Natural Gas | 1,592,853 | 1,736,028 | 1,901,655 | (3) |
| Electricity | 670,939 | 680,253 | 1,234,225 | (4) |
| LUBRICANTS | 320,710 | 259,114 | 265,000 | |
| FUEL USE TAX & STORAGE FEE | 29,134 | 39,952 | 42,000 | |
| TOTAL OTHER EXPENSES | $ 5,477,166 | $ 5,736,389 | $ 5,901,581 | |
| TOTAL DIVISION EXPENSES | $ 5,477,166 | $ 5,736,389 | $ 5,901,581 | |

(1) Assumes $3.00 per gallon for diesel
(2) Assumes $5.25 per gallon for unleaded
(3) Assumes $1.50 per diesel gallon equivalent for CNG
(4) Assumes $0.28 per kWh for electric fuel

# CUSTOMER EXPERIENCE

# FY 2027 Customer Experience Summary

| | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| **Wages** | | | |
| Customer Relations & Care | $ 1,414,728 | $ 1,605,519 | $ 1,804,797 |
| Transit Customer Amenities | 864,160 | 959,031 | 1,051,210 |
| | $ 2,278,888 | $ 2,564,550 | $ 2,856,007 |
| **Fringe Benefits** | | | |
| Customer Relations & Care | $ 445,616 | $ 462,253 | $ 624,878 |
| Transit Customer Amenities | 319,882 | 405,975 | 429,200 |
| | $ 765,498 | $ 868,228 | $ 1,054,078 |
| **Other Expenses** | | | |
| Customer Relations & Care | $ 1,233,870 | $ 1,209,500 | $ 1,205,400 |
| Transit Customer Amenities | 110,575 | 88,189 | 108,000 |
| | $ 1,344,445 | $ 1,297,689 | $ 1,313,400 |
| **Total Customer Experience Budget** | $ 4,388,831 | $ 4,730,467 | $ 5,223,485 |

# FY 2027 Customer Relations and Communications

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 1,396,673 | $ 1,578,744 | $ 1,770,105 |
| Intern | 18,055 | 26,775 | 34,692 |
| TOTAL WAGES | $ 1,414,728 | $ 1,605,519 | $ 1,804,797 |
| FICA | $ 105,193 | $ 114,632 | $ 137,070 |
| PENSION | 46,791 | 36,708 | 43,078 |
| DEFINED CONTRIBUTION | 95,207 | 97,385 | 158,352 |
| HEALTH BENEFITS | 142,409 | 157,142 | 222,929 |
| DENTAL & VISION | 9,447 | 9,722 | 12,767 |
| LIFE INSURANCE | 8,835 | 9,239 | 12,404 |
| UNEMPLOYMENT | 187 | - | - |
| WORKERS' COMPENSATION | 12,780 | 15,171 | 9,478 |
| UNIFORM ALLOWANCE | 8,117 | 4,254 | - |
| AUTO ALLOWANCE | 16,650 | 18,000 | 28,800 |
| TOTAL FRINGE BENEFITS | $ 445,616 | $ 462,253 | $ 624,878 |
| ADVERTISING | | | |
| Promotions and Sponsorships | $ 156,019 | $ 135,000 | $ 135,000 |
| Media | 684,738 | 720,000 | 710,500 |
| PROFESSIONAL SERVICES | 217,166 | 172,000 | 172,400 |
| SCHEDULES PROD. & PRINTING | 173,024 | 175,000 | 180,000 |
| OTHER MISC. EXPENSES | 2,923 | 7,500 | 7,500 |
| TOTAL OTHER EXPENSES | $ 1,233,870 | $ 1,209,500 | $ 1,205,400 |
| TOTAL DIVISION EXPENSES | $ 3,094,214 | $ 3,277,272 | $ 3,635,075 |

# FY 2027
# Transit Customer Amenities

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | 109,822 | 135,045 | 144,092 |
| Intern | - | 8,785 | 17,680 |
| Supervisors and Assistants | | | |
| Full-Time | 731,613 | 782,062 | 861,938 |
| Additional Pay | 702 | 2,139 | 2,500 |
| Overtime | 22,023 | 31,000 | 25,000 |
| TOTAL WAGES | $ 864,160 | $ 959,031 | $ 1,051,210 |
| FICA | 63,523 | 70,435 | 80,022 |
| PENSION | 97,749 | 74,382 | 82,978 |
| DEFINED CONTRIBUTION | 34,526 | 37,895 | 61,347 |
| HEALTH BENEFITS | 89,007 | 166,248 | 169,854 |
| DENTAL & VISION | 7,663 | 8,854 | 9,272 |
| LIFE INSURANCE | 5,488 | 6,028 | 7,404 |
| WORKERS' COMPENSATION | 17,426 | 36,733 | 12,923 |
| TOOL ALLOWANCE | - | - | - |
| AUTO ALLOWANCE | 4,500 | 5,400 | 5,400 |
| TOTAL FRINGE BENEFITS | $ 319,882 | $ 405,975 | $ 429,200 |
| TECHNICAL SERVICES | 12,568 | 22,122 | 22,500 |
| MATERIALS & SUPPLIES | 97,926 | 65,890 | 85,000 |
| OTHER MISC. EXPENSES | 81 | 177 | 500 |
| TOTAL OTHER EXPENSES | $ 110,575 | $ 88,189 | $ 108,000 |
| TOTAL DIVISION EXPENSES | $ 1,294,617 | $ 1,453,195 | $ 1,588,410 |

Page intentionally left blank

# RISK MANAGEMENT

# FY 2027
# Risk Management Summary

| | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| **Wages** | | | |
| Risk Management | $ 248,918 | $ 402,081 | $ 345,553 |
| Environmental Health and Safety | 426,158 | 380,311 | 468,099 |
| | $ 675,076 | $ 782,392 | $ 813,652 |
| **Fringe Benefits** | | | |
| Risk Management | $ 69,865 | $ 139,027 | $ 137,164 |
| Environmental Health and Safety | 184,614 | 149,639 | 199,420 |
| | $ 254,478 | $ 288,666 | $ 336,584 |
| **Other Expenses** | | | |
| Risk Management | $ 4,794,253 | $ 6,832,171 | $ 6,322,248 |
| Environmental Health and Safety | 332,000 | 254,750 | 316,300 |
| | $ 5,126,253 | $ 7,086,921 | $ 6,638,548 |
| **Total Risk Management Budget** | $ 6,055,807 | $ 8,157,979 | $ 7,788,784 |

# FY 2027
# Risk Management

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 245,739 | $ 387,519 | $ 345,553 |
| Intern | 3,179 | 14,562 | - |
| TOTAL WAGES | $ 248,918 | $ 402,081 | $ 345,553 |
| FICA | $ 18,244 | $ 30,186 | $ 26,759 |
| PENSION | - | - | - |
| DEFINED CONTRIBUTION | 14,154 | 28,909 | 34,979 |
| HEALTH BENEFITS | 28,544 | 71,494 | 56,166 |
| DENTAL & VISION | 877 | 2,634 | 1,893 |
| LIFE INSURANCE | 1,390 | 2,522 | 2,467 |
| WORKERS' COMPENSATION | 11,412 | 6,469 | 9,500 |
| AUTO ALLOWANCE | - | 5,400 | 5,400 |
| OTHER FRINGES | (4,755) | (8,587) | - |
| TOTAL FRINGE BENEFITS | $ 69,865 | $ 139,027 | $ 137,164 |
| PROFESSIONAL SERVICES | | | |
| Workers' Comp Admin. Svcs. | $ 349,881 | $ 423,601 | $ 316,000 |
| Temporary Help | 62,513 | - | 20,000 |
| PREM. PROPERTY INSURANCE | 62,749 | 63,158 | 159,043 |
| RECOVERY - PROPERTY CLAIMS | (275,392) | (109,233) | (100,000) |
| PREM. AUTO & GEN. LIAB. INS. | 1,821,425 | 1,997,319 | 2,100,000 |

# FY 2027
# Risk Management (cont'd)

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| CASUALTY & LIABILITY | $ 2,185,584 | $ 3,820,697 | $ 3,088,506 |
| OTHER INSURANCE | 616,189 | 648,778 | 730,699 |
| OTHER MISC. EXPENSES | (28,696) | (12,149) | 8,000 |
| TOTAL OTHER EXPENSES | $ 4,794,253 | $ 6,832,171 | $ 6,322,248 |
| TOTAL DIVISION EXPENSES | $ 5,113,035 | $ 7,373,279 | $ 6,804,965 |

# FY 2027
# Environmental Health and Safety

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 426,158 | $ 363,311 | $ 450,390 |
| Intern | - | 17,000 | 17,709 |
| TOTAL WAGES | $ 426,158 | $ 380,311 | $ 468,099 |
| FICA | $ 32,868 | $ 27,793 | $ 36,498 |
| PENSION | 23,822 | 19,208 | 20,971 |
| DEFINED CONTRIBUTION | 32,330 | 26,530 | 35,454 |
| HEALTH BENEFITS | 56,386 | 42,506 | 71,460 |
| DENTAL & VISION | 2,228 | 2,081 | 3,529 |
| LIFE INSURANCE | 2,978 | 2,521 | 3,308 |
| WORKERS' COMPENSATION | - | - | - |
| AUTO ALLOWANCE | 9,000 | 9,000 | 9,000 |
| OTHER FRINGES | 25,000 | 20,000 | 19,200 |
| TOTAL FRINGE BENEFITS | $ 184,614 | $ 149,639 | $ 199,420 |
| PROFESSIONAL SERVICES | | | |
| Workers' Comp Admin. Svcs. | $ 200,000 | $ 148,000 | $ 224,500 |
| Temporary Help | - | - | - |
| OTHER MISC. EXPENSES | 132,000 | 106,750 | 91,800 |
| TOTAL OTHER EXPENSES | $ 332,000 | $ 254,750 | $ 316,300 |
| TOTAL DIVISION EXPENSES | $ 942,772 | $ 784,700 | $ 983,819 |



# INFORMATION TECNOLOGY

# FY 2027
# Information Technology

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 1,198,707 | $ 1,411,640 | $ 1,597,549 |
| Intern | 2,736 | 21,315 | 35,023 |
| TOTAL WAGES | $ 1,201,443 | $ 1,432,955 | $ 1,632,572 |
| FICA | $ 87,889 | $ 98,462 | $ 110,691 |
| PENSION | 96,881 | 56,425 | 63,792 |
| DEFINED CONTRIBUTION | 74,131 | 80,749 | 116,352 |
| HEALTH BENEFITS | 166,164 | 229,801 | 258,245 |
| DENTAL & VISION | 9,056 | 11,234 | 12,507 |
| LIFE INSURANCE | 7,744 | 8,779 | 9,913 |
| UNEMPLOYMENT | - | 7,200 | - |
| AUTO ALLOWANCE | 15,750 | 20,700 | 21,600 |
| TOTAL FRINGE BENEFITS | $ 457,615 | $ 513,350 | $ 593,100 |
| PROFESSIONAL SERVICES | $ 355,398 | $ 352,794 | $ 365,620 |
| TECHNICAL SERVICES | | | |
| Hardware Maintenance Contracts | 254,519 | 219,387 | 250,000 |
| Software Licenses | 2,567,405 | 2,617,192 | 3,250,441 |
| UTILITIES - Telephone | 556,689 | 513,511 | 545,267 |
| COMPUTER SUPPLIES | 134,242 | 125,053 | 155,000 |
| OTHER MISC. EXPENSES | (2,240) | 2,500 | 2,500 |
| TOTAL OTHER EXPENSES | $ 3,866,013 | $ 3,830,437 | $ 4,568,828 |
| TOTAL DIVISION EXPENSES | $ 5,525,071 | $ 5,776,742 | $ 6,794,500 |

Page intentionally left blank

# INTERNAL BUSINESS FUNCTIONS

# FY 2027 Internal Business Functions Budget Summary

| | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| **Wages** | | | |
| Office of the CEO | $ 699,695 | $ 810,763 | $ 878,281 |
| Office of the DCEO | 464,562 | 522,511 | 559,573 |
| Finance and Budget | 2,142,257 | 2,352,661 | 2,581,851 |
| Government Relations | 161,816 | 227,718 | 278,378 |
| Organizational Development & Administration | 1,172,046 | 1,198,437 | 1,397,097 |
| Programs and Performance Management | - | - | 180,000 |
| | $ 4,640,376 | $ 5,112,090 | $ 5,875,180 |
| **Fringe Benefits** | | | |
| Office of the CEO | $ 212,336 | $ 254,325 | $ 318,705 |
| Office of the DCEO | 145,380 | 160,248 | 177,612 |
| Finance and Budget | 752,188 | 963,738 | 972,588 |
| Government Relations | 41,405 | 66,459 | 94,656 |
| Organizational Development & Administration | 669,070 | 621,135 | 783,314 |
| Programs and Performance Management | - | - | 61,343 |
| | $ 1,820,379 | $ 2,065,905 | $ 2,408,218 |
| **Other Expenses** | | | |
| Office of the CEO | $ 1,002,430 | $ 852,041 | $ 1,241,076 |
| Office of the DCEO | 42,643 | 90,259 | 207,000 |
| Finance and Budget | 487,085 | 409,161 | 408,984 |
| Government Relations | 130,333 | 162,858 | 166,131 |
| Organizational Development & Administration | 1,165,236 | 759,075 | 1,035,108 |
| Programs and Performance Management | 55,667 | 108,946 | 181,000 |
| | $ 2,883,394 | $ 2,382,340 | $ 3,239,299 |
| **Total Internal Business Functions Budget** | $ 9,344,149 | $ 9,560,335 | $ 11,522,697 |

# FY 2027
# Office of the CEO

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 682,208 | $ 810,763 | $ 858,281 |
| Intern | 17,487 | - | 20,000 |
| TOTAL WAGES | $ 699,695 | $ 810,763 | $ 878,281 |
| FICA | $ 40,205 | $ 45,162 | $ 51,374 |
| DEFINED CONTRIBUTION | 62,897 | 76,351 | 87,625 |
| HEALTH BENEFITS | 62,519 | 82,250 | 94,454 |
| DENTAL & VISION | 1,584 | 2,186 | 2,548 |
| LIFE INSURANCE | 2,411 | 2,898 | 4,104 |
| AUTO ALLOWANCE | 15,900 | 18,600 | 18,600 |
| OTHER FRINGES | 26,820 | 26,878 | 60,000 |
| TOTAL FRINGE BENEFITS | $ 212,336 | $ 254,325 | $ 318,705 |
| PROFESSIONAL SERVICES | | | |
| Consulting Services | $ 243,685 | $ 33,809 | $ 375,000 |
| General Legal Services | 192,000 | 294,738 | 220,000 |
| OTHER MISC. SERVICES | - | - | - |
| MATERIALS & SUPPLIES | 85,574 | 80,658 | 85,000 |
| DUES & SUBSCRIPTIONS | 203,157 | 212,882 | 236,076 |
| TRAVEL & MEETINGS | | | |
| Travel & Conferences | 163,252 | 180,815 | 200,000 |
| Seminars & Training | 98,640 | 25,788 | 100,000 |
| NTI Training | - | - | - |
| OTHER MISC. EXPENSES | 16,122 | 23,351 | 25,000 |
| TOTAL OTHER EXPENSES | $ 1,002,430 | $ 852,041 | $ 1,241,076 |
| TOTAL DIVISION EXPENSES | $ 1,914,461 | $ 1,917,129 | $ 2,438,062 |

# FY 2027
# Office of the Deputy CEO

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 464,562 | $ 522,511 | $ 544,573 |
| Intern | $ - | $ - | $ 15,000 |
| TOTAL WAGES | $ 464,562 | $ 522,511 | $ 559,573 |
| FICA | $ 35,170 | $ 32,766 | $ 36,652 |
| DEFINED CONTRIBUTION | 41,659 | 49,916 | 55,955 |
| HEALTH BENEFITS | 54,149 | 55,380 | 63,148 |
| DENTAL & VISION | 2,689 | 3,129 | 3,219 |
| LIFE INSURANCE | 2,913 | 3,457 | 3,038 |
| AUTO ALLOWANCE | 8,800 | 15,600 | 15,600 |
| TOTAL FRINGE BENEFITS | $ 145,380 | $ 160,248 | $ 177,612 |
| PROFESSIONAL SERVICES | $ 40,000 | $ 89,359 | $ 205,000 |
| OTHER MISC. SERVICES | - | - | - |
| TRAVEL & MEETINGS | - | - | - |
| OTHER MISC. EXPENSES | 2,643 | 900 | 2,000 |
| TOTAL OTHER EXPENSES | $ 42,643 | $ 90,259 | $ 207,000 |
| TOTAL DIVISION EXPENSES | $ 652,585 | $ 773,018 | $ 944,185 |

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 2,064,094 | $ 2,259,406 | $ 2,444,830 |
| Part-Time | 70,027 | 46,106 | 60,011 |
| Intern | 8,136 | 47,149 | 77,010 |
| TOTAL WAGES | $ 2,142,257 | $ 2,352,661 | $ 2,581,851 |
| FICA | $ 155,189 | $ 192,479 | $ 198,968 |
| PENSION | 160,770 | 117,923 | 142,377 |
| DEFINED CONTRIBUTION | 108,232 | 164,190 | 187,757 |
| HEALTH BENEFITS | 273,977 | 396,694 | 373,019 |
| DENTAL & VISION | 12,199 | 14,948 | 14,727 |
| LIFE INSURANCE | 13,200 | 16,483 | 17,440 |
| WORKERS' COMPENSATION | - | 29,546 | - |
| AUTO ALLOWANCE | 28,200 | 30,975 | 37,800 |
| UNIFORM ALLOWANCE | 421 | 500 | 500 |
| TOTAL FRINGE BENEFITS | $ 752,188 | $ 963,738 | $ 972,588 |
| PROFESSIONAL SERVICES | $ 308,779 | $ 258,375 | $ 236,900 |
| TECHNICAL SERVICES | 25,120 | 20,622 | 27,000 |
| OTHER MISC. SERVICES | 17,405 | 12,842 | 17,084 |
| BANKING SERVICES | 89,318 | 87,392 | 92,000 |
| BANKING SUPPLIES | 18,306 | 12,587 | 12,500 |
| OTHER MISC. EXPENSES | 3,422 | 2,343 | 3,500 |
| TICKET/PASS PRINTING | 24,735 | 15,000 | 20,000 |
| TOTAL OTHER EXPENSES | $ 487,085 | $ 409,161 | $ 408,984 |
| TOTAL DIVISION EXPENSES | $ 3,381,530 | $ 3,725,560 | $ 3,963,423 |

# FY 2027
# Government Relations

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 159,325 | $ 227,582 | $ 263,378 |
| Intern | 2,491 | 136 | 15,000 |
| TOTAL WAGES | $ 161,816 | $ 227,718 | $ 278,378 |
| FICA | $ 12,439 | $ 17,429 | $ 21,699 |
| PENSION | - | - | - |
| DEFINED CONTRIBUTION | 14,440 | 15,625 | 26,864 |
| HEALTH BENEFITS | 8,544 | 24,423 | 36,832 |
| DENTAL & VISION | 492 | 1,350 | 1,983 |
| LIFE INSURANCE | 990 | 2,232 | 1,878 |
| AUTO ALLOWANCE | 4,500 | 5,400 | 5,400 |
| TOTAL FRINGE BENEFITS | $ 41,405 | $ 66,459 | $ 94,656 |
| PROFESSIONAL SERVICES | $ 129,089 | $ 158,646 | $ 158,631 |
| OTHER MISC. SERVICES | 1,244 | 4,212 | 7,500 |
| TOTAL OTHER EXPENSES | $ 130,333 | $ 162,858 | $ 166,131 |
| TOTAL DIVISION EXPENSES | $ 333,554 | $ 457,035 | $ 539,165 |

# FY 2027 Organizational Development and Administration

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ 1,134,366 | $ 1,140,606 | $ 1,329,408 |
| Part-Time | 37,680 | 25,362 | 33,009 |
| Intern | - | 32,469 | 34,680 |
| TOTAL WAGES | $ 1,172,046 | $ 1,198,437 | $ 1,397,097 |
| FICA | $ 85,894 | $ 84,772 | $ 112,468 |
| PENSION | 51,858 | 38,120 | 46,210 |
| DEFINED CONTRIBUTION | 73,654 | 79,603 | 117,135 |
| HEALTH BENEFITS | 169,506 | 180,088 | 217,498 |
| PRESCRIPTION REIMBURSEMENT | - | - | 1,000 |
| DENTAL & VISION | 8,482 | 9,328 | 10,509 |
| LIFE INSURANCE | 7,702 | 8,134 | 9,444 |
| AUTO ALLOWANCE | 18,900 | 24,975 | 24,400 |
| OTHER FRINGES | 253,074 | 196,115 | 244,650 |
| TOTAL FRINGE BENEFITS | $ 669,070 | $ 621,135 | $ 783,314 |
| PROFESSIONAL SERVICES | $ 856,571 | $ 494,687 | $ 758,415 |
| EMPLOYMENT PHYSICALS | 104,574 | 95,306 | 110,000 |
| PRE-EMPLOYMENT PROCESSING | 122,036 | 107,396 | 92,798 |
| RECRUITMENT EXPENSES | 80,726 | 61,252 | 70,290 |
| OTHER MISC. EXPENSES | 1,329 | 434 | 3,605 |
| TOTAL OTHER EXPENSES | $ 1,165,236 | $ 759,075 | $ 1,035,108 |
| TOTAL DIVISION EXPENSES | $ 3,006,352 | $ 2,578,647 | $ 3,215,519 |

| EXPENDITURE DESCRIPTION | ACTUAL FY 2025 | ESTIMATED FY 2026 | PROPOSED FY 2027 |
|---|---|---|---|
| WAGES | | | |
| Full-Time | $ - | $ - | $ 180,000 |
| TOTAL WAGES | $ - | $ - | $ 180,000 |
| FICA | $ - | $ - | $ 14,153 |
| DEFINED CONTRIBUTION | - | - | 18,720 |
| HEALTH BENEFITS | - | - | 19,311 |
| DENTAL & VISION | - | - | 807 |
| LIFE INSURANCE | - | - | 1,152 |
| AUTO ALLOWANCE | - | - | 7,200 |
| TOTAL FRINGE BENEFITS | $ - | $ - | $ 61,343 |
| PROFESSIONAL SERVICES | $ 55,667 | $ 108,946 | $ 180,000 |
| OTHER MISC. EXPENSES | - | - | 1,000 |
| TOTAL OTHER EXPENSES | $ 55,667 | $ 108,946 | $ 181,000 |
| TOTAL DIVISION EXPENSES | $ 55,667 | $ 108,946 | $ 422,343 |

Page intentionally left blank

# CAPITAL PROGRAM

# FY 2027 Capital Budget Overview

## CAPITAL PROGRAM

The purpose of the Capital Program is to provide a long-term planning and budgeting process that enables LBT to identify capital funding needs in advance of purchasing or replacing its assets. Capital funding supports the maintenance, improvement, and innovation of LBT's fleet, equipment, customer amenities, information technology, and infrastructure. Capital projects are defined as expenditures or projects with an estimated useful life of one year or more and a total cost of at least $10,000.

## CAPITAL PROJECT IMPACTS ON OPERATING BUDGET



The long-term Capital Program helps LBT to operate more efficiently in the future. The impact on the operating budget is carefully considered when evaluating projects. The individual projects include an estimated future operating budget impact to identify the cost of the project's life cycle. LBT considers the future operating, maintenance, and replacement costs when deciding which projects to recommend for inclusion in the capital budget. Any new operating expenses associated with the approved new capital projects are addressed in the operating budget.

### Significant Capital Projects and Operating Impacts for FY 2027 – FY 2029

| Description | Capital Investment (in millions) | Annual Impact Fiscal Year(s) | Estimated Operating Budget Impact |
|---|---|---|---|
| ERP/EAM Software Replacement | $18.05 | 2027-2029 | ↑ |
| Bus Charging Infrastructure Expansion | $48.24 | 2027-2029 | ↓ |
| Bus Rehabilitation | $16.61 | 2027-2029 | ↓ |
| Bus Replacement | $51.22 | 2027-2029 | ↓ |

## STATE OF GOOD REPAIR/TRANSIT ASSET MANAGEMENT

FTA's Transit Asset Management (TAM) program. The TAM program enables transit agencies to implement strategic approaches to monitoring, maintaining, and replacing transit assets. FTA's TAM rule (49 CFR Part 625) requires transit agencies to develop a compliant TAM Plan, set performance targets for capital assets, create data and narrative reports on performance measures, and coordinate with their planning partners. TAM is a business model that uses asset condition to guide the optimal prioritization of funding for transit properties to keep the nation's transit networks in a State of Good Repair (SGR).

SGR is the condition in which a capital asset is able to operate at its full performance level.

A capital asset is in a State of Good Repair when:

- Is able to perform its designed function
- Use in its current condition does not pose an identified unacceptable safety risk
- Met or recovered its life cycle investment, including all scheduled maintenance, rehabilitation, and replacements

Each transit provider must designate an Accountable Executive. Tier I providers must also develop their own TAM Plan. LBT is considered a Tier I provider, by definition, as it has more than 101 vehicles across all fixed-route modes.

The Capital budgeting process requires that TAM data and condition assessments be included with all replacement asset requests, supporting a team effort to assess the most cost-effective solutions in developing the agency's capital plan. LBT is committed to keeping its assets in a state of good repair during their lifecycle, which allows LBT to fulfill its mission of: *Dedicated to connecting communities and moving people…making everyday life better.*

## CAPITAL BUDGETING PROCESS



Annually, LBT conducts a Capital Call to solicit internal capital project requests from project managers. The capital budget serves as a three-year rolling plan that aligns proposed investments with LBT's Capital Strategic Focus areas and Strategic Priorities. Together, these investments support the agency's state of good repair initiative and position LBT for future innovation in service delivery, technology, facilities, fleet, and customer experience needs.

Capital project proposals must include complete, reliable, and supportable cost estimates. For projects scheduled to begin in subsequent fiscal years, submissions will include an allowance for inflation. Project budgets also include a funding contingency to account for the uncertainty of the current economic environment and unforeseen circumstances that may require additional funds to complete the project within the approved project scope.

After receiving the project submissions, the Capital Budgeting Team conducts meetings with the project managers and their executive director. This enables a deeper understanding of the projects to be evaluated for recommendation in the upcoming capital budget.

LBT's KPI team, consisting of cross-departmental staff members, evaluates and scores all submissions. The evaluation criteria ask participants to evaluate how the project aligns with the Capital Strategic Focus and the three levels of the Capital Strategic Priorities (Essential, Priority, and Value Added). Within these categories, essential projects are funded first, followed by priority projects. Value-added projects are funded last, and if they cannot be funded in the capital budget, LBT's Government Relations staff can seek other funding sources through a discretionary grant opportunity.

# FY 2027 Capital Budget Overview (cont'd)

The capital Program and the KPI team recommend funding levels for each of the projects. These recommendations are brought before the Executive Leadership Team (ELT) for concurrence.




The ELT reviews final project recommendations and funding to ensure that the capital budget best reflects LBT's Strategic Priorities and Capital Strategic Focus. For customers, it means the agency is prioritizing spending on projects that enhance their experience.

## CAPITAL STRATEGIC FOCUS

All capital projects are developed using the following Capital Strategic Focus elements:

- Improving Safety and Security
- Enhancing Customer Experience
- Rehabilitating and Maintaining Assets
- Modernizing Facilities
- Replacing and Expanding Fleet
- Optimizing Technology

These categories refine the selection of the most vital projects that promote reliable, high-quality service for LBT customers at the lowest possible cost. The cost savings achieved through increased efficiency are reinvested to support future improvement and growth of LBT.

## CAPITAL STRATEGIC PRIORITIES

All proposed projects are prioritized and ranked based on the following categories:

I: **ESSENTIAL** – Projects that require timely implementation to protect service reliability, asset condition, safety, or operational continuity.

- Required for operation to provide core services to customers
- Corrects a condition dangerous to health or safety
- Alleviates an emergency service disruption or deficiency
- Prevents irreparable damage to a valuable customer facility
- Satisfies a legal obligation

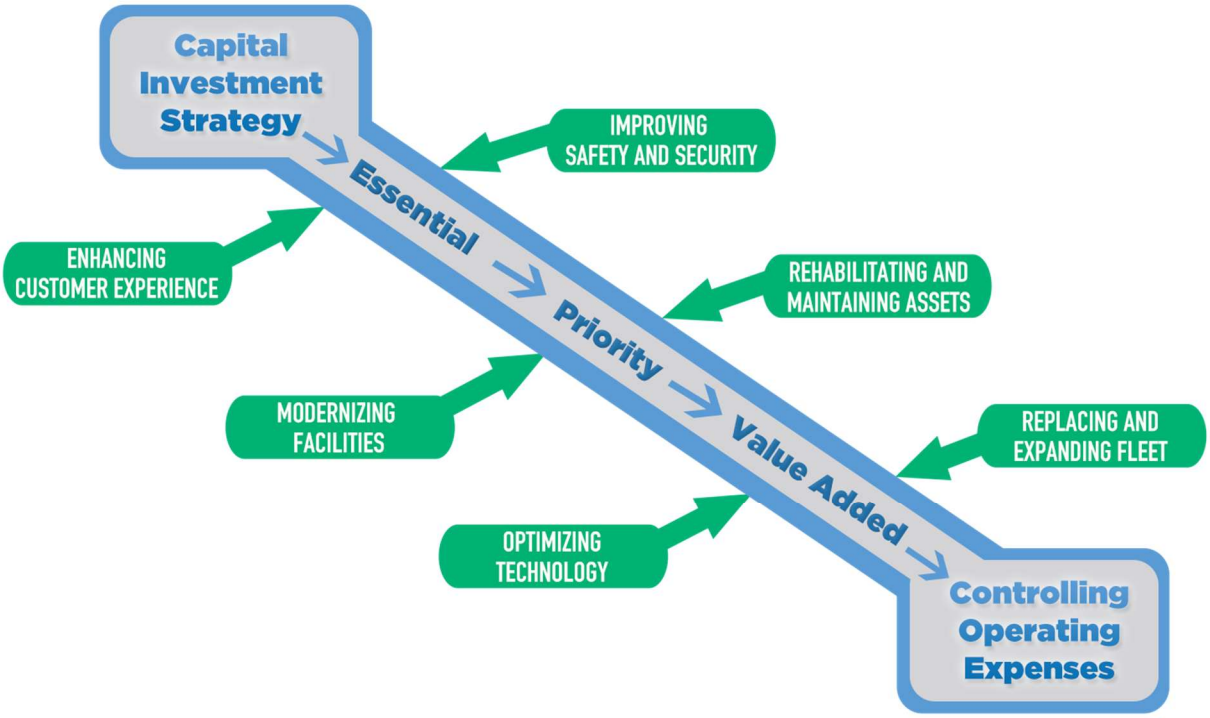
II: **PRIORITY** – Projects that address clearly demonstrated needs or objectives.

- Rehabilitates or replaces obsolete agency-owned or customer-facing facilities, transit assets, and related infrastructure.
- Reduces energy consumption and future operating costs
- Reduces maintenance costs
- Increases operational efficiency
- Maintains assets in a like-new condition

III: **VALUE ADDED** – Projects that are beneficial but may be delayed without detrimental effects to basic services.

- Provides a new or expanded level of service
- Promotes intergovernmental cooperation
- Enhances cultural or natural resources

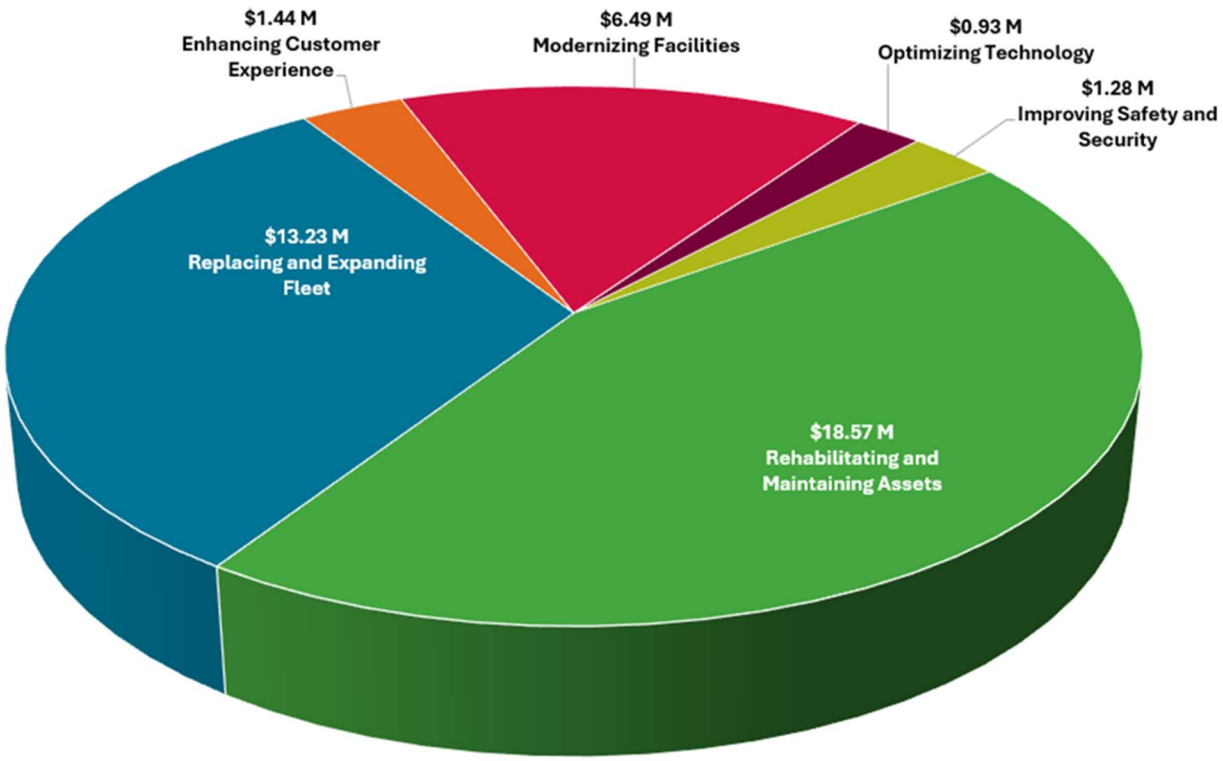
The graphic below depicts LBT's Capital Strategic Focus:




CAPITAL STRATEGIC FOCUS

# FY 2027 Capital Budget Overview (cont'd)

## FY 2027 BUDGET BY CAPITAL STRATEGIC FOCUS




## $41.9M

# FY 2027 Capital Program Funding Sources

## FY 2027–FY 2029 CAPITAL PROGRAM FUNDING SOURCES

| FY 2027 – FY 2029 CAPITAL REVENUE BY FUNDING SOURCE | | | | | | |
|---|---|---|---|---|---|---|
| Funding Source | Approved FY 2026 | Estimated FY 2027 | Estimated FY 2028 | Estimated FY 2029 | Estimated FY27 - FY29 | |
| FEDERAL | $ 25,315,320 | $ 26,517,296 | $ 25,279,701 | $ 24,157,087 | $ 75,954,085 | (1) |
| STATE | $ 12,457,964 | $ 1,538,125 | $ 1,957,964 | $ 1,748,045 | $ 5,244,134 | (2) |
| LOCAL | $ 6,132,325 | $ 5,578,218 | $ 6,359,970 | $ 5,780,000 | $ 17,718,188 | (3) |
| PRIOR YEAR REALLOCATIONS | $ 2,468,701 | $ 8,306,408 | $ 5,387,554 | $ 3,928,127 | $ 17,622,089 | (4) |
| **TOTAL CAPITAL BUDGET** | **$ 46,374,310** | **$ 41,940,047** | **$ 38,985,189** | **$ 35,613,259** | **$ 116,538,495** | |

(1) Federal dollars for FY2027 include annual 5307 programmed funding and discretionary 15% and 1% Bus Operator Subcommittee funding.

(2) State dollars include funding for a SB1 State of Good Repair funding and Transit Development Act (TDA) Capital funding.

(3) Local funding includes Prop C 40% Discretionary funds (MOSIP) and Measure R funding (Even years only).

(4) Capital grant funds designated for reallocation in FY 2027 represent savings from a variety of completed projects, including facility, information technology, and customer transit amenities. These funds, sourced from Section 5307 Formula and the Municipal Operator Service Improvement Plan (MOSIP), are being reinvested into new capital projects. LBT will utilize these reallocated funds for projects, such as Infrastructure Modernization, Information Technology Software Upgrades, Bus Component Replacement, and Customer Transit Amenities.

## COMPARISON TO FY 2026

- The FY 2027 Capital Program funding sources consist of $26.52 million in federal, $1.53 million in state, $5.58 million in local, and $8.31 million in reallocated funding.

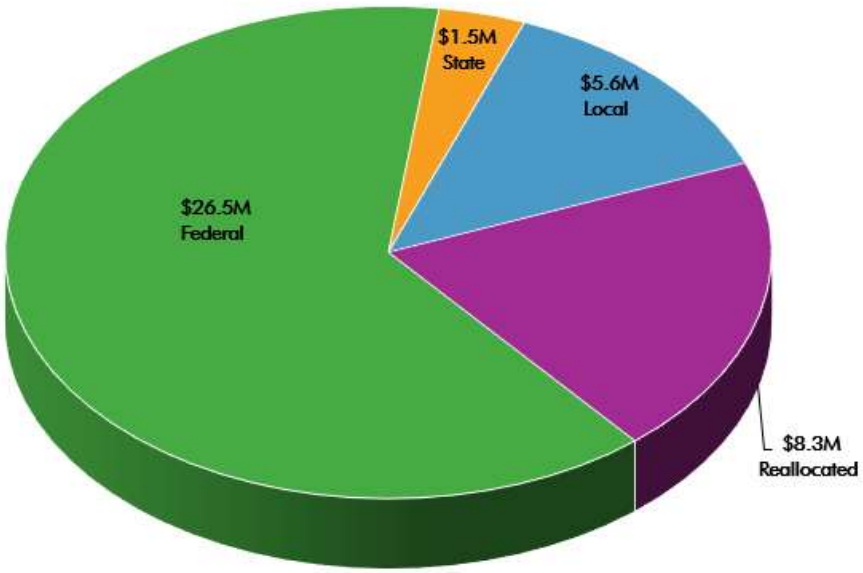
- State funds decreased for FY 2027 because the agency budgeted 100% of its Transit Development Act (TDA) allocation for operating expenditures in FY 2027, whereas the agency was able to allocate $10.5 million of the allocation to capital in FY 2026.

- Local funds decreased for FY 2027 because the Measure R Clean Fuel Bus Capital Facilities and Rolling Stock Fund is allocated in even years. Therefore, LBT did not receive this funding for FY 2027.

- In FY 2027, the prior year reallocations will continue to help LBT achieve its Strategic Priority of Exercising Financial Accountability by reallocating funds from completed projects and allocating funds to projects that are a high priority for the agency.

# FY 2027 Capital Program Funding Sources (cont'd)

## FY 2027 Capital Program Funding Sources | $41,940,047




**FEDERAL (FTA 5307/5339, FHWA FBP)** — $ 26,517,296

Federal Section 5307 Formula Funds (Urbanized Formula) - These funds are allocated by the Federal Transit Administration (FTA) to Los Angeles County transit operators on a formula basis. Eighty-five (85) percent of this regional allocation is distributed by Formula Allocation Procedure (FAP). The federal dollars include additional funding for specific capital projects through the Bus Operator Subcommitee (BOS) competitive discretionary awards. LBT uses a majority of these funds for fleet replacement, facility improvements, preventive maintenance and bus stop amenities.

**STATE (SB1-SGR)** — $ 1,538,125

The Road Repair and Accountability Act of 2017, Senate Bill (SB) 1, includes a program that will provide additional revenues for transit infrastructure repair and service improvements. This investment in public transit is referred to as the State of Good Repair program. These funds are made available for eligible transit maintenance, rehabilitation, and capital projects. LBT uses these funds for Mid-Life Bus Rehabilitation, Fleet Replacement, and Infrastructure Improvements.

**COUNTY (MEASURE-R CAPITAL, MOSIP)** — $ 5,578,218

Measure R-Capital and Proposition C 40% Discretionary, such as Municipal Operator Service Improvement Program (MOSIP), allow LBT to fund a variety of capital projects, including Fleet Replacement, Facility Improvements, Bus Components Replacement, and Information Technology Upgrades.

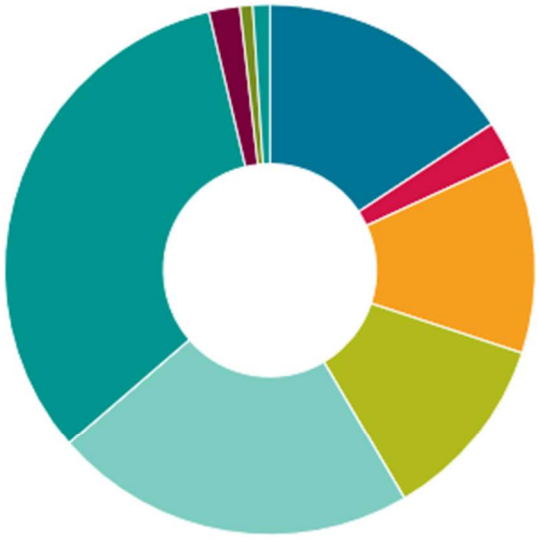
**PRIOR YEAR REALLOCATION (REPURPOSED)** — $ 8,306,408

Capital grant funds designated for reallocation in FY 2027 represent savings from a variety of successfully completed projects, including facility, information technology, and customer transit amenities. These funds, sourced from Section 5307 Formula and the Municipal Operator Service Improvement Plan (MOSIP), are being reinvested into new capital priorities.

LBT will utilize these reallocated funds for projects such as Infrastructure Improvements, Information Technology Software Upgrades, Bus Component Replacement, and Customer Transit Amenities.

# FY 2027 Capital Projects Allocation

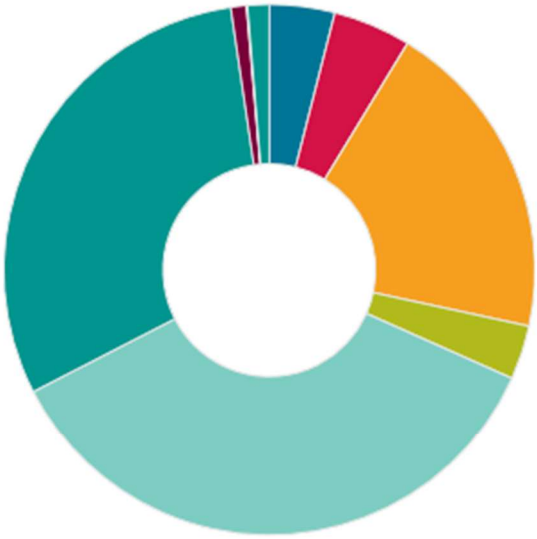
## FY2026 Capital Budget



**$45,185,577**

- BUS REHABILITATION, $ 7.1M
- BUS STOP AMENITIES, $ 1.1M
- FACILITY IMPROVEMENTS, $ 5.4M
- INFORMATION TECHNOLOGY, $ 5.2M
- PREVENTATIVE MAINTENANCE, $ 10M
- REVENUE VEHICLES, $ 14.7M
- SAFETY & SECURITY, $ 0.9M
- SUPPORT/SERVICE VEHICLES, $ 0.5M

## FY2027 Capital Budget

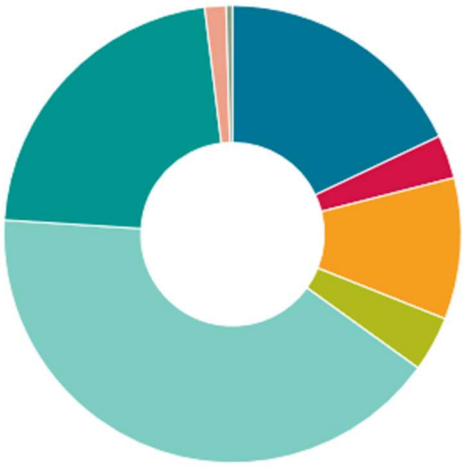


**$41,940,047**

- BUS REHABILITATION, $ 1.7M
- BUS STOP AMENITIES, $ 2M
- FACILITY IMPROVEMENTS, $ 8.2M
- INFORMATION TECHNOLOGY, $ 1.4M
- PREVENTATIVE MAINTENANCE, $ 15M
- REVENUE VEHICLES, $ 12.7M
- SAFETY & SECURITY, $ 0.4M
- SUPPORT/SERVICE VEHICLES, $ 0.6M

# FY 2027 Capital Projects Allocation (cont'd)

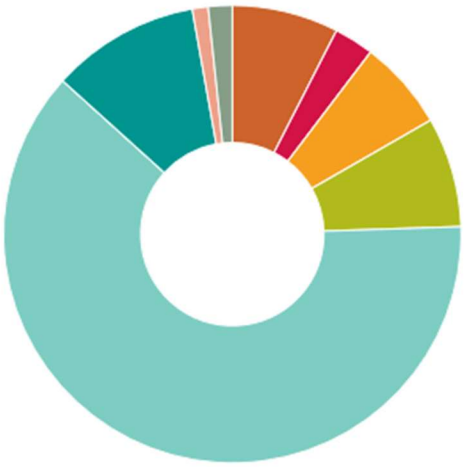
## FY2028 Estimated Capital Projects



**$38,985,190**

- BUS REHABILITATION, $ 7M
- BUS STOP AMENITIES, $ 1.2M
- INFRASTRUCTURE UPGRADES, $ 3.9M
- INFORMATION TECHNOLOGY, $ 1.5M
- PREVENTATIVE MAINTENANCE, $ 16M
- REVENUE VEHICLES, $ 8.6M
- SAFETY & SECURITY, $ 0.6M
- SUPPORT/SERVICE VEHICLES, $ 0.2M

## FY2029 Estimated Capital Projects



**$35,613,259**

- BUS REHABILITATION, $ 2.7M
- BUS STOP AMENITIES, $ 1M
- FACILITY IMPROVEMENTS, $ 2.3M
- INFORMATION TECHNOLOGY, $ 2.8M
- PREVENTATIVE MAINTENANCE, $ 22.2M
- REVENUE VEHICLES, $ 3.7M
- SAFETY & SECURITY, $ 0.4M
- SUPPORT/SERVICE VEHICLES, $ 0.6M

## CHANGE IN NET POSITION

This table provides a summary of LBT's net position, which reflects the impact of the agency's revenues, expenses, and capital grant activity on its overall financial position. Net position serves as a broad indicator of the agency's overall financial condition and long-term fiscal sustainability. Monitoring changes in net position over time helps provide insight into LBT's financial capacity to support ongoing operations, capital investments, and future service commitments. For LBT, year-over-year changes in net position are primarily driven by the timing of capital grant recognition, capital project activity, and related depreciation associated with the agency's capital program.

LBT is presenting a balanced FY 2027 budget. Changes in net position reflected in FY 2027 are primarily related to accounting recognition associated with capital grants, capital assets, and depreciation.

| | Actual FY 2025 | Estimated FY 2026 | Proposed FY 2027 |
|---|---|---|---|
| Operating Revenue | $ 10,301,852 | $ 10,093,564 | $ 10,337,757 |
| Non Operating Revenue | 119,577,228 | 124,433,214 | 135,563,112 |
| Total Revenues | $ 129,879,080 | $ 134,526,778 | $ 145,900,869 |
| Operating Expenses | $ 128,638,137 | $ 134,526,778 | $ 145,900,869 |
| Depreciation | 19,000,370 | 19,536,994 | 21,471,290 |
| Total Operating Expenses | $ 147,638,507 | $ 154,063,772 | $ 167,372,159 |
| Change Before Capital Grants | $ (17,759,427) | $ (19,536,994) | $ (21,471,290) |
| Capital Grants | $ 10,998,382 | $ 45,185,576 | $ 41,940,047 |
| Change in Net Position | $ (6,761,045) | $ 25,648,582 | $ 20,468,757 |
| Total Net Position, July 1 | $ 89,442,700 | $ 78,006,487 | $ 103,655,069 |
| Restatement – GASB 101 | $ (4,675,168) | | |
| Total Net Position, June 30 | $ 78,006,487 | $ 103,655,069 | $ 124,123,826 |

*GASB 101 = Governmental Accounting Standards Board Statement No. 101; Compensated Absences

## CAPITAL PROJECT UPDATE – Mid-life Bus Rehabilitation

### Overview/Status:

All federally funded buses must be maintained for 12 years and/or 500,000 miles. To ensure LBT's buses are in a like-new condition, a midlife rehabilitation includes new near-zero engines, interior/exterior paint, exterior decals, interior/exterior lighting, and vehicle fire suppression recertification.

### FY2026 Update and FY2027 Planned Deliverables:

LBT is on track to complete the rehabilitation of the 1500 series, 60' Articulated CNG buses by the winter of 2026.

The agency is expected to release a Request for Proposal (RFP) for 40 1800 series, 40' CNG buses to go through the rehabilitation process in Fall 2026.

Additional bus series' will be incorporated in to the Mid-life Rehabilitation as they reach the mid-point of ther useful service life.




### Estimated Expenditures

| Fund Type | FY2027 | FY2028 | FY2029 |
|---|---|---|---|
| Federal 5307 | | $ 1,239,554 | $ 3,718,660 |
| Other Federal | | | |
| State Funds | $ 1,866,474 | $ 1,479,592 | $ 4,438,774 |
| Local Funds | $ 50,543 | $ 170,647 | $ 511,941 |
| | | | |
| | | | |
| | $ 1,917,017 | $ 2,889,793 | $ 8,669,375 |

| Impact on Operating Budget | Maintenance costs will decrease as refurbished buses will have newer parts and engines, increasing reliability. |
|---|---|

## CAPITAL PROJECT UPDATE – Charging Station Expansion

**Overview/Status:**

LBT's goal is to go from a 100% alternatively fueled fleet to a Zero-Emission Fleet in the next decade. To successfully implement this transformation, LBT will need to have the appropriate infrastructure in place. The Battery Charging Station Expansion Project enables LBT to increase the capacity of the Anaheim Street facility to 125 charging stations.

**FY2026 Update and FY2027 Planned Deliverables:**

LBT is currently preparing a new procurement for a Design/Build Contractor to provide construction services to install the charging infrastructure at LBT1.

Further in FY27, LBT will seek to issue a solicitation for a Construction Manager (CM) to assist LBT in implementing the construction and installation of the charging infrastructure.




**Estimated Expenditures**

| Fund Type | FY2027 | FY2028 | FY2029 |
|---|---|---|---|
| Federal 5307 | $ 25,056,697 | $ 9,715,294 | |
| Other Federal | | | |
| State – TDA | $ 3,767,381 | $ 9,716,444 | |
| Local Funds | $ 169,000 | | |
| | | | |
| | | | |
| | $ 28,993,077 | $ 19,431,739 | |

| Impact on Operating Budget | The Charging Station Expansion will have a positive impact on the operating budget as the cost for charging Battery-Electric buses is lower than for gasoline or Compressed Natural Gas. |
|---|---|

## CAPITAL PROJECT UPDATE – Bus Replacement Program

**Overview/Status:**

LBT continues to work toward replacing its older model, less energy-efficient buses with zero-emission battery-electric buses through the bus replacement program. LBT currently has a fleet of 255 buses. The fleet (both revenue and contingency) comprises 53 Hybrid Gas-Electric, 125 CNG, and 77 Battery-Electric buses.

**FY2026 Update and FY2027 Planned Deliverables:**

LBT successfully completed the purchase of thirty (30) Battery-electric buses at the end of Q3, FY 2026, replacing the hybrid-gas-electric fleet.

LBT is currently exploring state contracts and other options that are currently available in the market to procure 24, 40' Battery-electric buses (BEBs).

Upon selecting a procurement method, LBT will work with the vendor to develop suitable bus specifications that meet LBT's requirements. Upon reaching an agreement on contract terms, the agency will take the contract to the LBT Board of Directors for approval.

The agency anticipates obtaining Board of Directors approval to initiate a contract during the summer of 2026, with the first bus delivery in the Spring of 2027.




**Estimated Expenditures**

| Fund Type | FY2027 | FY2028 | FY2029 |
|---|---|---|---|
| Federal 5307 | $ 2,688,920 | $ 16,102,947 | $ 14,289,130 |
| Other Federal | | | |
| State Bonds | $ 438,787 | | |
| State TIRCP | | | |
| Other State | $ 1,222,293 | $ 14,347,053 | $ 1,490,870 |
| Local Funds | | | |
| | $ 4,350,000 | $ 30,450,000 | $ 15,780,000 |

| | |
|---|---|
| Impact on Operating Budget | New zero-emission buses will be less expensive and more reliable to operate. |

## CAPITAL PROJECT UPDATE – ERP/EAM Replacement

**Overview/Status:**

During FY 2026, the Enterprise Resource Planning (ERP) and the Enterprise Asset Management (EAM) Replacement project made substantial progress throughout its implementation phase, successfully positioning the organization for the upcoming go-live of the new Payroll and Human Resources systems.

**FY2027 Planned Deliverables:**

In FY 2027, LBT will continue advancing the implementation phase of the ERP/EAM system, focusing on key functional areas and upcoming go-live milestones.

Project Implementation Timeline Overview:
Payroll and Human Resources
Timeline: March 2025 to June 2026
Go-live: Q1, 2027

Financials and EAM
Timeline: July 2026 - July 2027
Go-live Date: Q1, 2028

Budgeting
Timeline: October 2026 - July 2027
Go-live Date: Q1, 2028




**Estimated Expenditures**

| Fund Type | FY2027 | FY2028 | FY2029 |
|---|---|---|---|
| Federal 5307 | $ 10,717,671 | $ 2,173,870 | |
| Other Federal | | | |
| State Bonds | | | |
| State TIRCP | | | |
| Other State | | | |
| Local Funds | | | |
| | $ 10,717,671 | $ 2,173,870 | $ - |
| **Impact on Operating Budget** | Technology license operating expenses are projected to increase over time as overall technology costs continue to rise. | | |

## CAPITAL PROJECT UPDATE – Customer Amenities – Cherry Ave., Atlantic Ave., and Long Beach Blvd.

**Overview/Status:**

Bus stops are the gateway to the LBT public transit system. LBT has nearly 1900 active bus stop locations covering 14 cities and 107 square miles.

The goal of this project is to enhance the customer experience with a focus on improving the bus stop condition, public safety, and accessibility of stops throughout the Cherry Ave., Atlantic Ave & Long Beach Blvd corridors. The project includes shelters, seating, lighting and electronic signage.

**FY2027 Planned Deliverables:**

The LBT Customer Amenities team recently awarded a contract to Servitek Electric, Inc. for the procurement and installation of bus stop shelters, seats, and electronic signage on Cherry Ave., Atlantic Ave,. and Long Beach Blvd.

LBT anticipates that the full project will be completed in the second quarter of FY27. The project will update 158 bus stops across the three corridors and include 33 new bus shelters locations, 83 stand-alone bus stop seats, 40 pole-mounted solar LED lights and 56 real-time arrival electronic signs.



**Estimated Expenditures**

| Fund Type | FY2027 | FY2028 | FY2029 |
|---|---|---|---|
| Federal 5307 | $ 2,353,825 | | |
| Other Federal | | | |
| State LCTOP | | | |
| Local Funds | $ 535,884 | | |
| | | | |
| | | | |
| | $ 2,889,709 | $ - | $ - |
| **Impact on Operating Budget** | By updating to newer equipment and lighting at the bus stops, LBT will be able to provide an enhanced customer experience. | | |

## CAPITAL PROJECT UPDATE – Customer Amenities – Transit Gallery

**Overview/Status:**

The Transit Gallery Improvement Project is designed to elevate safety, service quality, and enhance the customer experience at Long Beach Transit's mobility hub by modernizing technology, lighting, and wayfinding systems. The project is located at the Downtown Long Beach Transit Gallery and will cover eight bus shelters along 1st Street between Pine Avenue and Long Beach Boulevard.

**FY2027 Planned Deliverables:**

During FY 2026, the LBT Customer Amenities team recently awarded a contract to Burns Engineering, Inc. for Architectural & Engineering (A&E) design services for the Tranist Gallery Improvement Project.

In FY 2027, LBT anticipates that the fully developed design package to be ready for a construction solicitation by Fall of 2026. The construction will include new digital signage, new customer information systems, lighting and structural upgrades for the eight bus shelter bays at the Transit Gallery. The construction phase is anticipated to be completed in late 2027.



**Estimated Expenditures**

| Fund Type | FY2027 | FY2028 | FY2029 |
|---|---|---|---|
| Federal 5307 | $ 845,171 | $ 1,569,603 | |
| Other Federal | | | |
| State LCTOP | $ 434,975 | | |
| State TDA | $ 87,500 | $ 162,500 | |
| Local Funds | $ 110,853 | $ 205,870 | |
| | | | |
| | $ 1,478,499 | $ 1,937,973 | $ - |
| **Impact on Operating Budget** | Upgrading to newer equipment and lighting at bus stops will have no impact on the operating budget, as LBT will use capital funds. | | |

# GLOSSARY

### Accrual Accounting

A method of accounting where revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

### Balanced Budget

A budget in which operating expenses are equal to operating revenues.

### Capital Expenditure

Expenditures or projects with an estimated useful life of one year or more and a total cost of at least $10,000.

### Core Business Category

LBT's Core Business Categories are the six major functional areas that organize how the agency plans, budgets, and measures performance across Transit Service Delivery, Transit Asset Management, Customer Experience, Corporate Risk Management, Information Technology, and Internal Business Functions.

### Department

Unit of organization structure, responsible for specific functions or duties.

### Enterprise Fund

A fund type used to account for "business- type activities"— activities similar to those found in the private sector. The fund structure utilized by LBT to report financial activities.

### Fiscal Year

Period of any 12 consecutive months used as an accounting period. LBT's fiscal year is July 1 through June 30.

### Net Position

A measure of an agency's overall financial position that reflects the impact of revenues, expenses, and capital grant activity on total assets, deferred outflows, liabilities and deferred inflows. Monitoring changes in net position over time helps provide insight into long-term fiscal sustainability and financial capacity to support operations and capital investments.

### Preventive Maintenance

All the activities, supplies, materials, labor, services and associated costs required to preserve or extend the functionality and serviceability of the assets in a cost-effective manner.

### Single Enterprise Fund

A single enterprise fund is used to account for operations that function similarly to a business, where services are primarily financed through dedicated revenues. It combines all related financial activity, including operations, capital assets, liabilities, and revenues, into one unified fund for financial reporting purposes.

# Acronyms

**ADA**

Americans with Disabilities Act

**AFSCME**

American Federation of State, County and Municipal Employees

**ARPA**

American Rescue Plan Act

**ATU**

Amalgamated Transit Union

**BEB**

Battery-Electric Bus

**BSIP**

Bus System Improvement Program

**CARES**

Coronavirus Aid, Relief and Economic Security Act

**CNG**

Compressed Natural Gas

**CPI**

Consumer Price Index

**CRRSAA**

Coronavirus Response and Relief Supplemental Appropriations Act

**CSULB**

California State University, Long Beach

**CTTC**

California Transit Training Consortium

**EAM**

Enterprise Asset Management

**ELT**

Executive Leadership Team

**ERP**

Enterprise Resource Planning

**FAP**

Formula Allocation Procedure

**FICA**

Federal Insurance Contributions Act

**FTA**

Federal Transit Administration

**FTE**

Full Time Equivalent

**FSI**

Fareless System Initiative (also known as GoPass)

**FY**

Fiscal Year

**GASB**

Governmental Accounting Standards Board

**GFOA**

Government Finance Officers Association

**KPI**

Key Performance Indicator

**LBCC**

Long Beach City College

**LBT**

Long Beach Transit

**LBUSD**

Long Beach Unified School District

**LCTOP**

Low Carbon Transit Operations Program

# Acronyms (cont'd)

**LEED**

Leadership in Energy and Environmental Design

**LTF**

Local Transportation Fund

**MDBF**

Mean Distance Between Failures

**MOSIP**

Municipal Operator Service Improvement Program

**NTD**

National Transit Database

**PLPD**

Personal Liability and Property Damage

**SaaS**

Software-as-a-Service

**SB**

Senate Bill

**SGR**

State of Good Repair

**STA**

State Transit Assistance

**TAM**

Transit Asset Management

**TAP**

Transit Access Pass

**TDA**

Transportation Development Act

**UCLA**

University of California, Los Angeles

**ZEB**

Zero-Emission Bus

Page intentionally left blank