

NET LEASE PAYMENTS AND ANTICIPATED FUNDING SOURCES

2016 Refunding

Year Ending July 1 ¹	Net Lease Payment ²	80% Allocated from Section 5307 FTA Capital Grant	20% of Local Share	Total Available Local Revenues ³	Local Share Annual Coverage Ratio
2016	\$1,454,380.49	\$1,163,504.39	\$290,876.10	\$14,423,036	49.67
2017	1,537,000.00	\$1,229,600.00	\$307,400.00	\$14,423,036	46.92
2018	1,535,500.00	\$1,228,400.00	\$307,100.00	\$14,423,036	46.97
2019	1,537,900.00	\$1,230,320.00	\$307,580.00	\$14,423,036	46.89
2020	1,539,300.00	\$1,231,440.00	\$307,860.00	\$14,423,036	46.85
2021	1,538,550.00	\$1,230,840.00	\$307,710.00	\$14,423,036	46.87
2022	1,536,300.00	\$1,229,040.00	\$307,260.00	\$14,423,036	46.94
2023	1,537,550.00	\$1,230,040.00	\$307,510.00	\$14,423,036	46.90
2024	1,542,050.00	\$1,233,640.00	\$308,410.00	\$14,423,036	46.77
2025	1,539,550.00	\$1,231,640.00	\$307,910.00	\$14,423,036	46.84
2026	1,540,300.00	\$1,232,240.00	\$308,060.00	\$14,423,036	46.82
2027	1,539,050.00	\$1,231,240.00	\$307,810.00	\$14,423,036	46.86
2028	1,540,800.00	\$1,232,640.00	\$308,160.00	\$14,423,036	46.80
2029	1,535,300.00	\$1,228,240.00	\$307,060.00	\$14,423,036	46.97
2030	1,537,800.00	\$1,230,240.00	\$307,560.00	\$14,423,036	46.90
2031	1,537,800.00	\$1,230,240.00	\$307,560.00	\$14,423,036	46.90
2032	1,540,300.00	\$1,232,240.00	\$308,060.00	\$14,423,036	46.82
2033	1,540,050.00	\$1,232,040.00	\$308,010.00	\$14,423,036	46.83
2034	1,542,050.00	\$1,233,640.00	\$308,410.00	\$14,423,036	46.77
2035	1,536,050.00	\$1,228,840.00	\$307,210.00	\$14,423,036	46.95
2036	1,542,300.00	\$1,233,840.00	\$308,460.00	\$14,423,036	46.76
2037 ⁴	4,465,050.00	\$3,572,040.00	\$893,010.00	\$14,423,036	16.15
TOTAL	\$36,694,930.49	\$29,355,944.39	\$7,338,986.10	\$317,306,792	

¹ The authority is required to deposit, with the Trustee, the principal and interest with respect to the Certificates due on each January 1 and July 1 on or before the fifteenth day of the month immediately preceding such date.

² Net Lease Payments are net of reserve fund earnings calculated at the arbitrage yield of 2.681%. See "SECURITY AND SOURCE OF PAYMENT FOR THE CERTIFICATES-Lease Payment Schedule" herein for additional information.

³ Projected. Assume future LTF, STA and fare revenues in an amount equal to LTF revenues budgeted to be received by the Authority for Fiscal Year Ending June 30, 2016.

⁴ A portion of the final Lease Payment is assumed to be made from moneys in the Reserve Fund.

VICTOR VALLEY TRANSIT AUTHORITY
FTA Section 5307 Capital Grant Funding Trends
Fiscal Years 2000-01 through 2016-17

<u>Year</u>	<u>FTA Section 5307 Capital Funds Allocated</u>
2000-01	\$1,196,938
2001-02	1,311,837
2002-03	2,063,821
2003-04	1,853,434
2004-05	2,362,551
2005-06	2,368,518
2006-07	2,303,151
2007-08	2,423,755
2008-09	2,538,994
2009-10	2,573,044
2010-11	2,568,357
2011-12	2,651,504
2012-13	2,922,855
2013-14	4,584,709
2014-15	3,352,928
2015-16	5,417,539
2016-17	6,932,681
2017-18*	6,696,879

*Projected. There can be no assurance that the amounts projected in future fiscal years will be equal to such amounts

Source: The Authority

VICTOR VALLEY TRANSIT AUTHORITY
LTF Funding Trends
Fiscal Years 2002-03 through 2014-2015

Fiscal Year	Budgeted Annual LTF Funds Available for Transit ¹	Budgeted Share of LTF Funds for the Authority ²	Actual LTF Funds for Operations Received by the Authority ³
2002-03	\$7,098,433	\$3,584,106	\$4,236,823
2003-04	7,737,662	4,291,555	4,179,848
2004-05	8,762,245	4,622,082	3,954,736
2005-06	10,135,896	4,169,169	2,511,933
2006-07	12,201,490	4,379,546	4,118,980
2007-08	13,202,180	5,120,741	5,558,241
2008-09	12,563,501	6,620,569	3,128,922
2009-10	13,933,487	3,986,143	4,626,918
2010-11	9,026,973	6,589,662	5,315,424
2011-12	10,581,723	6,605,901	6,264,367
2012-13	13,038,303	6,776,663	6,356,954
2013-14	13,989,028	8,929,662	7,818,550
2014-15	13,884,116	8,839,258	8,827,902
2015-16	19,706,671	11,256,236	11,499,923
2016-17	21,281,084	13,381,883	12,885,855
2017-2018	23,408,898	16,825,328	

¹Represents amount of budgeted LTF Funds available for transit purposes. To the extent not budgeted to be used by the Authority, the balance is used for streets within the member entities of the Authority.

²Represents amount of budgeted LTF Funds to be received by the Authority each fiscal year.

³Represents amount of LTF Funds actually received by the Authority for operations. To the extent the budgeted share is not used by the Authority, such excess is either applied for street improvements or carried over for future fiscal years.

Source: The Authority

VICTOR VALLEY TRANSIT AUTHORITY
STA Funding Trends
Fiscal Years 2002-03 through 2014-2015

<u>Fiscal Year</u>	<u>Total STA Budgeted</u>	<u>Total STA Received</u>
2002-03	\$4,369,206	\$565,497
2003-04	689,208	421,526
2004-05	278,500	551,143
2005-06	544,974	161,134
2006-07	890,011	1,149,210
2007-08	2,487,000	4,051,587
2008-09	4,000,000	996,329
2009-10	1,704,164	601,310
2010-11	879,144	1,007,610
2011-12	0	971,600
2012-13	286,460	495,469
2013-14	2,292,254	349,267
2014-15	209,510	208,262
2015-16	900,936	3,224,440
2016-17	537,385	476,435
2017-18 ¹	263,577	

¹Projected

Source: The Authority

VICTOR VALLEY TRANSIT AUTHORITY
Current Fares By Service Type
FY 2017

Service Type	Regular	Student	Senior and Disabled	Children 5 and Under (3 per adult fare)
Fixed Routes	\$ 1.25	\$ 1.00	\$ 0.60	Free
County Routes	\$ 2.25	\$ 2.00	\$ 1.00	Free
Deviated Routes	\$ 2.00	\$ 2.00	\$ 1.00	Free
Commuter Routes	\$ 12.00	N/A	N/A	Free

Note (1) VVTA's governing body approved a fare increase effective October 1, 2017. (FY17-18)

VICTOR VALLEY TRANSIT AUTHORITY
Ridership, Farebox Revenues and Operating Expenses
For Fiscal Years 2003-04 through 2014-2015

Fiscal Year	Passengers	Farebox Revenues	Operating Expenses
2003-04	1,152,017	\$1,170,080	\$6,528,437
2004-05	1,000,545	1,163,602	7,289,454
2005-06	1,020,119	945,005	6,866,607
2006-07	1,092,470	1,017,796	7,328,020
2007-08	1,123,207	1,336,245	9,587,359
2008-09	1,345,659	1,549,672	8,816,039
2009-10	1,482,495	1,604,433	9,076,384
2010-11	1,686,194	1,865,371	9,139,378
2011-12	1,880,612	2,006,421	10,416,630
2012-13	2,151,301	2,538,309	12,664,795
2013-14	2,369,734	2,618,125	12,612,728
2014-15	2,695,213	2,810,617	14,063,154
2015-16	2,725,591	2,767,592	19,362,613
2016-17	2,486,373	2,861,282	20,431,026

Source: The Authority

**VICTOR VALLEY TRANSIT AUTHORITY
SCHEDULE OF LEASE PAYMENTS**

Date	Principal Component	Interest Component	Total Amount	Date Paid
12/15/2007		\$636,682.29	\$636,682.29	12/13/2007
6/15/2008	\$750,000.00	836,516.88	1,586,516.88	6/13/2008
12/15/2008		821,516.88	821,516.88	12/12/2008
6/15/2009	595,000.00	821,516.88	1,416,516.88	6/15/2009
12/15/2009		809,616.88	809,616.88	12/14/2009
6/15/2010	620,000.00	809,616.88	1,429,616.88	6/15/2010
12/15/2010		797,216.88	797,216.88	12/14/2010
6/15/2011	645,000.00	797,216.88	1,442,216.88	6/14/2011
12/15/2011		784,316.88	784,316.88	12/13/2011
6/15/2012	670,000.00	784,316.88	1,454,316.88	6/14/2012
12/15/2012		770,916.88	770,916.88	12/14/2012
6/15/2013	695,000.00	770,916.88	1,465,916.88	6/14/2013
12/15/2013		757,016.88	757,016.88	12/13/2013
6/15/2014	725,000.00	757,016.88	1,482,016.88	6/13/2014
12/15/2014		742,516.88	742,516.88	12/12/2014
6/15/2015	755,000.00	742,516.88	1,497,516.88	6/16/2015
12/15/2015		726,641.88	726,641.88	12/15/2015
6/15/2016	1,375,000.00	81,723.61	1,456,723.61	6/2/2016
*** VVTA Refunded Debt				
12/15/2016		493,500.00	493,500.00	12/15/2016
6/15/2017	550,000.00	493,500.00	1,043,500.00	6/15/2017
12/15/2017		485,250.00	485,250.00	12/15/2017
6/15/2018	565,000.00	485,250.00	1,050,250.00	
12/15/2018		473,950.00	473,950.00	
6/15/2019	590,000.00	473,950.00	1,063,950.00	
12/15/2019		462,150.00	462,150.00	
6/15/2020	615,000.00	462,150.00	1,077,150.00	
12/15/2020		446,775.00	446,775.00	
6/15/2021	645,000.00	446,775.00	1,091,775.00	
12/15/2021		430,650.00	430,650.00	
6/15/2022	675,000.00	430,650.00	1,105,650.00	
12/15/2022		413,775.00	413,775.00	
6/15/2023	710,000.00	413,775.00	1,123,775.00	
12/15/2023		396,025.00	396,025.00	
6/15/2024	750,000.00	396,025.00	1,146,025.00	
12/15/2024		377,275.00	377,275.00	
6/15/2025	785,000.00	377,275.00	1,162,725.00	
12/15/2025		357,650.00	357,650.00	
6/15/2026	825,000.00	357,650.00	1,182,650.00	
12/15/2026		337,025.00	337,025.00	
6/15/2027	865,000.00	337,025.00	1,202,025.00	

Date	Principal Component	Interest Component	Total Amount	Date Paid
12/15/2027		315,400.00	315,400.00	
6/15/2028	910,000.00	315,400.00	1,225,400.00	
12/15/2028		292,650.00	292,650.00	
6/15/2029	950,000.00	292,650.00	1,242,650.00	
12/15/2029		268,900.00	268,900.00	
6/15/2030	1,000,000.00	268,900.00	1,268,900.00	
12/15/2030		243,900.00	243,900.00	
6/15/2031	1,050,000.00	243,900.00	1,293,900.00	
12/15/2031		217,650.00	217,650.00	
6/15/2032	1,105,000.00	271,650.00	1,376,650.00	
12/15/2032		190,025.00	190,025.00	
6/15/2033	1,160,000.00	190,025.00	1,350,025.00	
12/15/2033		161,025.00	161,025.00	
6/15/2034	1,220,000.00	161,025.00	1,381,025.00	
12/15/2034		130,525.00	130,525.00	
6/15/2035	1,275,000.00	130,525.00	1,405,525.00	
12/15/2035		98,650.00	98,650.00	
6/15/2036	1,345,000.00	98,650.00	1,443,650.00	
12/15/2036		65,025.00	65,025.00	
6/15/2037	4,335,000.00	65,025.00	4,400,025.00	
	\$28,755,000.00	\$26,617,800.98	\$55,372,800.98	

VICTOR VALLEY TRANSIT AUTHORITY
Statements of Operations Years Ended June 30, 2002 through June 30, 2017

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
OPERATING REVENUE																
Passenger Fares	\$693,710	\$951,626	\$1,047,945	\$1,036,057	\$842,339	\$928,171	\$1,191,385	\$1,415,539	\$1,458,643	\$1,697,047	\$1,843,908	\$2,419,169	\$2,489,965	\$2,669,197	\$2,619,972	\$2,650,632
Special Transit Fares	105,294	111,821	122,135	127,545	102,666	89,625	144,860	134,133	145,790	168,324	162,513	119,140	128,160	141,420	147,620	210,650
TOTAL OPERATING REVENUE	799,004	1,063,447	1,170,080	1,163,602	945,005	1,017,796	1,336,245	1,549,672	1,604,433	1,865,371	2,006,421	2,538,309	2,618,125	2,810,617	2,767,592	2,861,282
OPERATING EXPENSES																
Operations	4,771,591	6,187,315	6,528,437	6,527,074	6,111,146	6,534,152	7,175,233	7,759,838	7,931,872	8,068,909	9,193,106	10,301,767	12,612,728	14,063,154	16,996,159	17,569,115
General administration	449,544	647,510	628,041	762,380	755,461	793,868	2,412,126	1,056,201	1,144,512	1,070,469	1,223,524	2,363,028	1,970,049	2,270,728	2,366,454	2,861,911
Interest on Lease Payments (non-capitalized)	0	0	0	0	0	0	0	0	0	0	0	0	1,514,034	1,485,034	1,839,136	898,151
Depreciation	1,449,947	2,040,380	2,204,066	2,341,811	1,905,777	1,794,798	1,458,893	1,915,761	1,894,284	2,116,384	2,596,568	3,028,340	3,659,414	3,872,939	4,413,950	4,730,084
TOTAL OPERATING EXPENSES	6,671,082	8,875,205	9,360,544	9,631,265	8,772,384	9,122,818	11,046,252	10,731,800	10,970,668	11,255,762	13,013,198	15,693,135	19,756,225	21,691,855	25,615,699	26,059,261
OPERATING INCOME (LOSS)	(5,872,078)	(7,811,758)	(8,190,464)	(8,467,663)	(7,827,379)	(8,105,022)	(9,710,007)	(9,182,128)	(9,366,235)	(9,390,391)	(11,006,777)	(13,154,826)	(17,138,100)	(18,881,238)	(22,848,107)	(23,197,979)
NONOPERATING REVENUE																
Nontransportation revenue																
Interest income	9,409	15,824	4,786	14,369	31,816	70,873	71,635	25,725	49,697	550,158	257,565	186,467	180,645	196,601	192,601	60,976
Reimbursements							30,000	25								
Gain (loss) on disposal of fixed assets	(46,343)	0	(56,174)	0	301,750	125,137	(183,898)	223,676	17,362	9,018	6,585	0	(5,790)	24,424	36,129	61,536
Miscellaneous	23,245	7,132	53,107	5,738	44,171	46,999	7,331	8,191	16,425	15,289	122,951	538,414	2,444,110	1,143,962	2,614,347	400,535
Local Transportation Fund																
Article 8c	2,869,865	4,236,823	4,179,848	3,954,736	2,511,933	4,118,980	5,558,241	3,128,922	4,626,918	6,899,931	6,688,861	6,671,960	8,236,473	9,255,896	13,498,317	
Article 4																12,930,092
Article 3	0	0	0	0	13,600	103,292	0	0	7,400	0	157,200	53,263	84,166	1,846	24,500	24,148
State Transit Assistance Fund																
Article 6.5	43,335	565,497	421,526	551,143	161,134	1,149,210	4,051,587	996,329	601,310	941,440	1,654,928	495,469	349,267	208,262	3,224,440	476,435
Federal Transportation Administration																
Section 5307	1,303,769	3,283,555	1,779,602	1,958,476	1,161,675	2,774,925	2,590,001	5,252,373	4,016,210	4,947,507	2,795,592	2,922,855	3,388,154	3,305,282	5,417,539	3,519,363
Section 5309	0	0	0	0	0	0	742,500	0	0	0	0	326,851	518,661	626,227	19,461	0
Section 5310	0	0	0	0	0	0	0	0	0	0	487,621	0	0	0	22,481	50,648
Section 5311	65,706	78,445	113,206	83,149	117,122	316,669	218,262	215,780	417,798	372,935	213,002	341,694	349,418	322,534	591,098	632,855
Section 5316	0	0	0	0	0	0	0	0	267,046	0	0	132,178	63,541	65,704	195,401	47,511
Section 5317	0	0	0	0	0	0	0	0	0	0	0	72,558	223,431	315,932	127,841	86,566
Section 5339	0	0	0	0	0	0	0	0	0	0	0	27,016	352,150	78,249	668,946	0
CMAQ	307,258	1,008,773	545,386	1,535,529	15,116	1,634,041	459,459	2,681,424	228	2,182,832	1,399,821	630,215	926,593	47,646	2,334,977	81,005
A.B. 2766	74,800	332,011	164,837	86,020	149,800	74,800	74,800	89,800	69,800	104,800	99,800	132,120	247,120	133,260	205,320	113,320
Measure I	417,000	458,526	457,600	461,000	936,819	877,263	1,058,798	1,019,163	812,563	560,153	633,950	739,412	799,665	916,985	1,555,011	1,975,721
CA. State Toll Credits	0	0	0	321,500	0	0	0	0	0	0	0	0	0	0	0	23,348
LCTOP	0	0	0	56,316	0	0	0	0	0	0	0	0	0	0	0	10,018
Proposition 1B	0	0	0	0	0	0	0	1,163,621	1,289,104	1,278,020	405,239	731,968	1,836,167	2,623,038	832,871	428,008
Other Capital Grants	0	0	0	0	0	0	0	0	0	0	1,477,707	0	490,000	0	40,237	40,237
TOTAL NONOPERATING REVENUE	5,068,044	9,986,586	7,663,724	9,027,976	5,444,936	11,292,189	14,678,716	14,805,029	12,191,861	17,862,082	16,400,822	14,002,440	20,483,771	19,265,848	31,601,517	20,962,322
NET INCOME (LOSS)	(804,034)	2,174,828	(526,740)	560,313	(2,382,443)	3,187,167	4,968,709	5,622,901	2,825,626	8,471,691	5,394,045	847,614	3,345,671	384,610	8,753,410	(2,235,657)
Prior Period Adjustment							709,580	1,472,191						(67,944)	0	0
RETAINED EARNINGS-BEGINNING	5,342,977	4,538,943	6,713,771	6,187,031	6,747,344	4,364,901	7,552,068	13,230,057	20,325,149	23,150,775	30,439,755	35,697,812	36,545,426	39,891,097	40,207,763	48,961,173
RETAINED EARNINGS-END	\$4,538,943	\$6,713,771	\$6,187,031	\$6,747,344	\$4,364,901	\$7,552,068	\$13,230,357	\$20,325,149	\$23,150,775	\$30,439,755	\$35,697,812	\$36,545,426	\$39,891,097	\$40,207,763	\$48,961,173	\$46,725,516