

Proposition #2: Bus Purchases



**FLEET
REPLACEMENT
PLAN**

February 26, 2019

Age Comparison of Fleet

<i>Current</i>			<i>Recommended</i>
#	Age	%	%
16	16 years +	15%	1%
40	11-15 years	37%	33%
8	6-10 years	8%	33%
43	1- 5 years	40%	33%
107	Total Fleet	100%	100%

*Projected Future Bus Purchases based on
10-15 Year Life Cycle*

<i>Projected Life Cycle</i>	<i>Required Annual Replacements</i>
10 years	11 buses
12 years	9 buses
15 years	7 buses

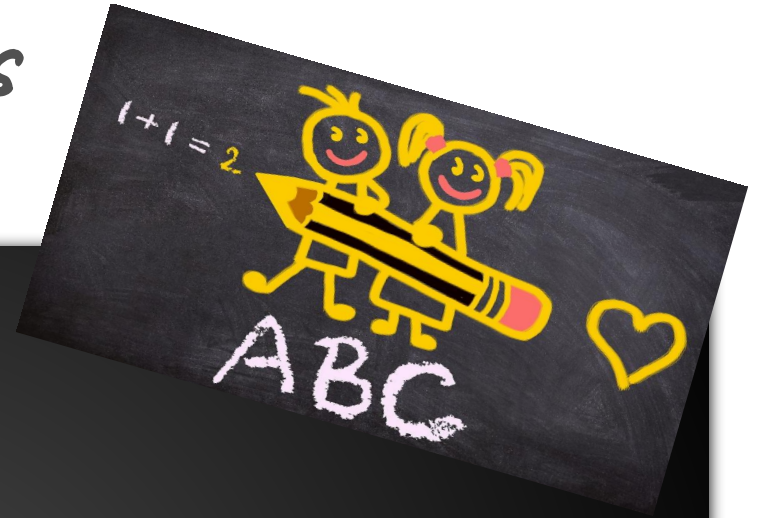
Note: this assumes the District has followed a fleet replacement plan all along. Unfortunately, 16 buses are over 16 years old and will soon be falling out of service, which requires us to plan and prepare for their inevitable replacement.

Financial Benefits

- ✓ Predictable future costs
 - ✓ Cost-effective
- ✓ Safest Means of Budgeting
- ✓ Consistent State Aid Revenue Streams (47.5% of Costs)

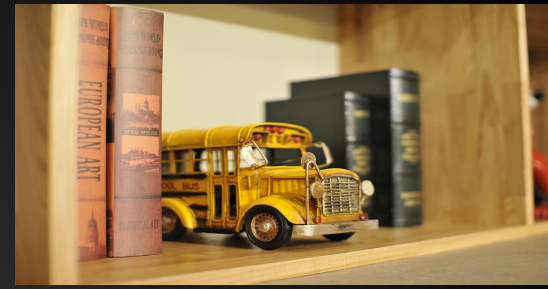


Operational Benefits



- Newer, Safer Equipment
- Predictable Equipment Costs
- Reduced Repair Costs
- Reduced Parts Inventory
- **INCREASED SERVICE AVAILABILITY!**

Disposals / Replacements by Year



Year	# of Disposals	# of Replacements	Net Gain / (Loss)
2015-16	6	7	+1
2016-17	9	8	-1
2017-18	5	8	+3
2018-19	10*	9***	-1*
2019-20	??	7**	??

*Year-to-date; 5 additional vehicles anticipated to be disposed of by June 30, 2019

**Requested

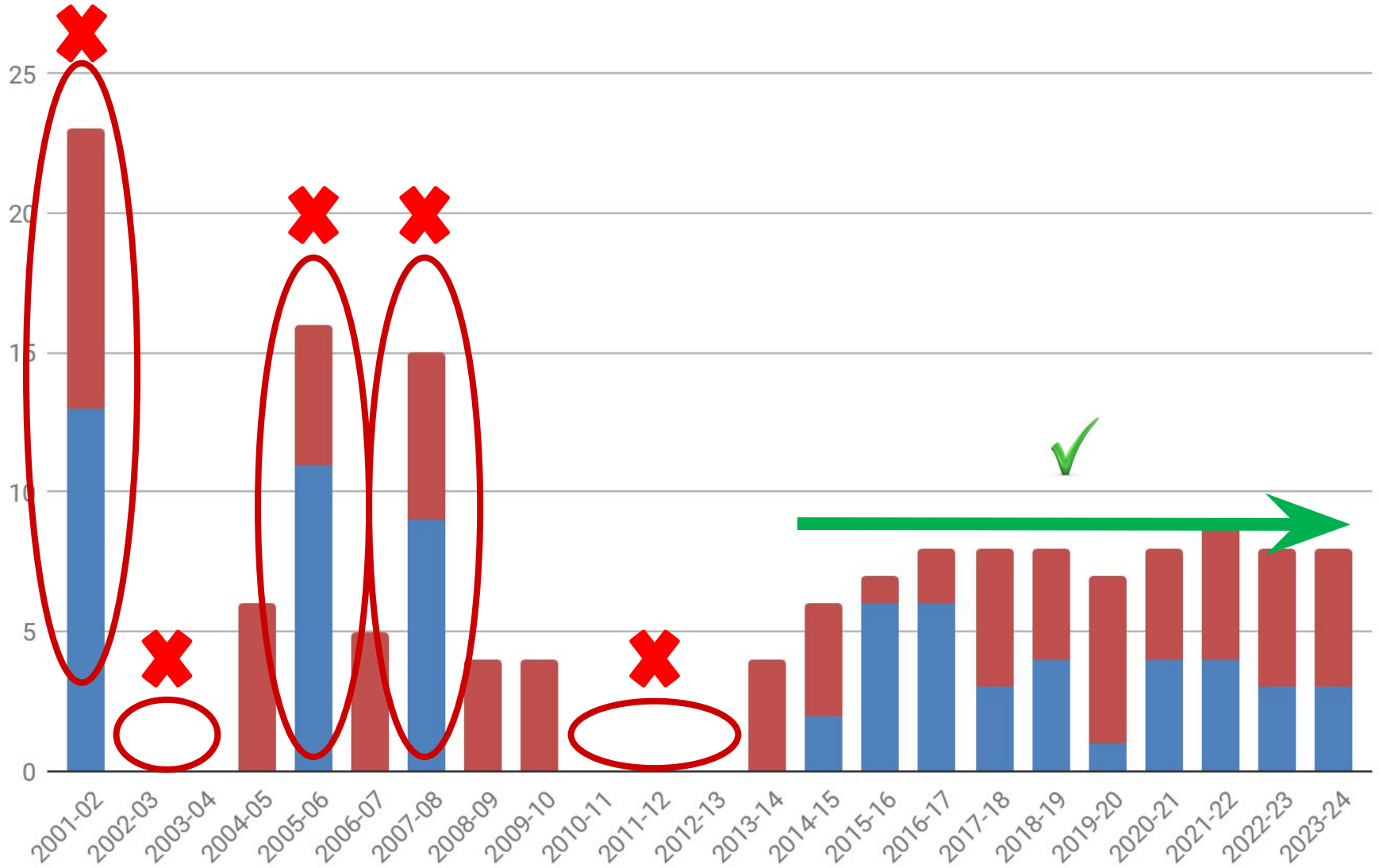
***Includes 1 additional vehicle replaced through insurance proceeds (not included in last year's Prop 2)

NEW "ROLES" FOR SENIOR BUSES



MEET OLD "YELLA"

Bus Purchase History & Projection



Annual Cost

- State-aided @ 47.5%: “buy one, get one free!!”
- First of five annual payments due in 2020-21, not 2019-20
- Projected \$90,360 average annual cost, net of State Aid
- 2014-15 purchases (\$483K) will be paid off!! (see Long Range Financial Plan [pgs 11 & 12])
 - Incremental annual cost to average Southeast & Patterson homeowner is \$3 & \$2, respectively

Proposition #2: Required Buses



Borrow \$753,000 to Purchase:

1 x 30 passenger bus **\$ 61,000**

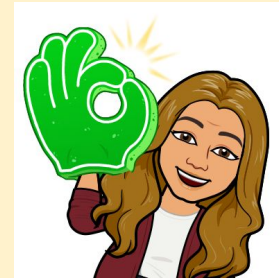
1 x 48 passenger bus (air conditioning) **\$ 117,000**

5 x 77 passenger buses **\$ 575,000**

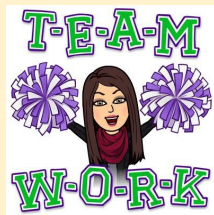
Thank you for your continuous support!



Mary



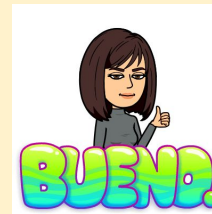
Leonor



Loriann



Sheri



Perla



Debbie