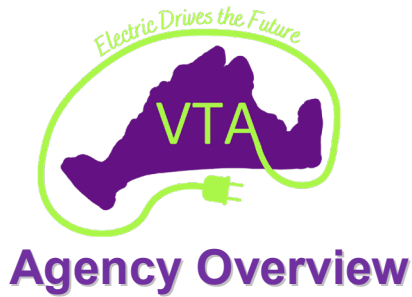


Martha's Vineyard Transit Authority (VTA) Annual Report



Fiscal Year 2023
July 1, 2022 - June 30, 2023



The Martha's Vineyard Transit Authority (VTA) provides fixed-route bus and ADA demand-responsive van service to the six towns on the Island of Martha's Vineyard. The VTA was created by the Massachusetts General Laws, Chapter 161B and is funded through local, state, and federal sources.

Leadership

Per MGL Chapter 161B, the VTA is managed by an Administrator, who is appointed by an Advisory Board. The Advisory Board is composed of one representative from each member community, one Rider Community Representative and one Disabled Community Representative:

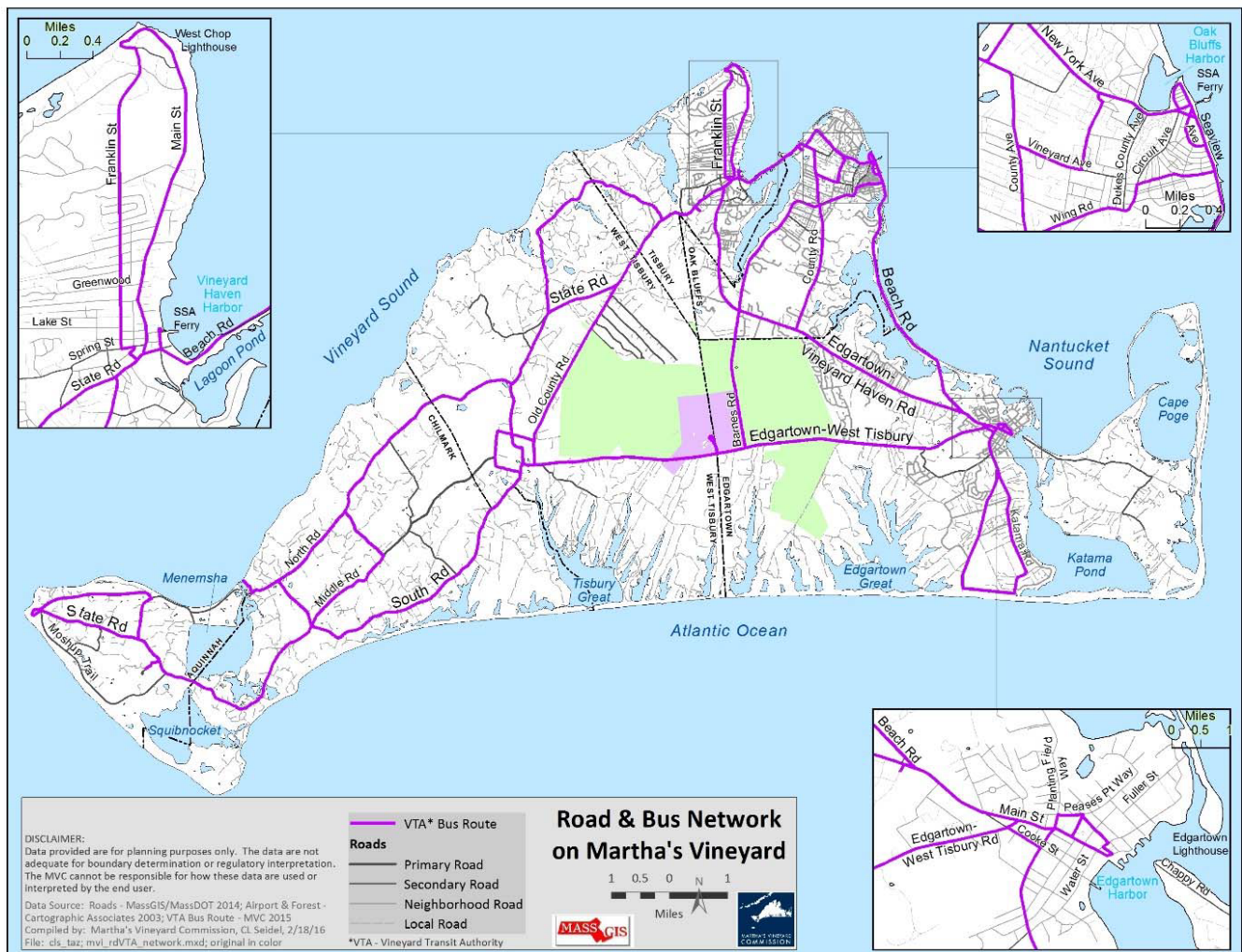
| | |
|-----------------------------------|-------------------|
| Oak Bluffs | Robert Mackay |
| West Tisbury | Robert Wasserman |
| Aquinnah | Kristina Hook |
| Tisbury | Elaine Miller |
| Chilmark | Leonard Jason |
| Edgartown | Mark Snider |
| Rider Community Representative | Kim Leaird |
| Disabled Community Representative | Vacant |
| Administrator | Angela E. Gompert |

Mission

We believe that public transportation is essential to the economic vitality, environmental stability and quality of life on the Island of Martha's Vineyard. We provide safe and secure environment for our customers, community and employees through consistent training, enforcement and allocation of resources. We continuously strive to improve the cost efficiency of our services and approach our financial relationships with integrity and transparency.

Description of Services

During Fiscal Year 2023, the VTA operated ten year-round routes, plus four additional summer peak season routes and paratransit service in accordance with Americans with Disability Act (ADA). The fixed routes are organized into a hub and spoke system around four hubs, which are located in the Vineyard's largest communities (Vineyard Haven, Oak Bluffs, Edgartown and West Tisbury). With one exception, all VTA routes serve at least one hub. Connecting to and between hubs allows passengers to transfer between routes and increases accessibility to the Island's major services and destinations. The VTA also interlines buses to offer one-seat rides between key destinations. Operating expenses for FY23 were \$8,110,328 plus \$7.23 million in capital funds. VTA ridership continued to feel the effects from the COVID-19 pandemic, carrying 899,699 riders over 997,479 revenue miles of service.



Funding Updates

CRRSAA Funding

In response to the COVID-19 pandemic, the VTA was awarded \$3,998,487 in the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funds.

During FY23, the VTA used \$2,576,485.64 of the CRRSAA funding to supplement operations and lost fares due to decreased ridership. The remaining balance will be expended in FY24.

Service Modifications

Service Modifications

FY 2023 July 1, 2022 – June 30, 2023

Each fiscal year starts with the VTA's busiest peak season months, goes through the Off-Season and ends with the very beginning of the next year's In-Season. FY 2023 started in July 2022 with labor shortages causing service reductions on nearly all routes. By the end of the fiscal year in June 2023, the situation improved sufficiently, thanks to more effective vehicle operator recruiting and securing more seasonal housing, to allow the restoration of some service.

Training and employing a year-round and seasonal work force remains one of the VTA's most significant operational challenges. By the end of Fiscal Year 2023, the VTA was able to make some transit planning decisions based on expected travel demand again and not solely the availability of drivers. Transit travel demand is directly affected by the level of service provided for potential passengers to complete their trips. While the trend by the end of the fiscal year was improving, the goal of pre-pandemic ridership recovery remains for the future.

Changes to In-Season 2022 as compared to In-Season 2021 (starting in July)

The part of In-Season 2022 in FY 2023 operated approximately the same dates as 2021. Specific service modifications for this period are listed below.

Route 1: No changes.

Route 2: Frequency reduced from 90 minutes to two hours (interlined with Route 4 instead of 10A).

Route 3: Evening service reduced as compared to 2021 in both peak and fall shoulder seasons.

Route 4: Frequency reduced from hourly to every two hours (interlined with Route 2), evening trips scaled back by two trips.

Route 5: Evening trips scaled back.

Route 6: Evening trips scaled back slightly.

Route 7: Evening trips scaled back significantly – four round trips.

Route 8: Evening trips scaled back.

Route 9: No changes.

Route 10: No changes.

Route 11: Daytime service ran two weeks later, then no service during a modified fall shoulder season.

Route 12: Return of the Sunset Bus, which did not run at all in 2021.

Route 13: Originally scheduled to change peak season headway mode (departures from all stops every 15 minutes) back to running through 9 pm, had to scale back to the 6:00 pm end time of 2021 for headway mode.

Changes to Off-Season 2022 - 2023 as compared to Off-Season 2021 - 2022

With much lower labor requirements, the VTA Off-Season 2022 – 2023 represented a reversal of the trend of cutting some service to adding service back, as compared to the same season a year ago. In the Off-Season, the major routes – Route 1, Route 10 and Route 13 – have dedicated vehicles throughout the day. The routes that serve the rest of the Island are interlined, meaning the buses that travel over these routes serve more than one route. This has some advantages, such as making some transfers “same bus” transfers for passengers. For overall service, the comparative increase in resources meant that the buses were blocked, or interlined, differently than in years past. This changed the timetables and transfer connections for the Off-Season Fall schedule, which was operated from early October through December. The Winter schedule, which operated January through March, maintained what was offered throughout the Off-Season 2021 – 2022. A summary of the Off-Season Fall 2022 – 2023 route modifications are overviewed below.

Route 1: One extra round trip late night.

Routes 2, 4 and 10A were interlined on one bus again. Irregularly timed service was restored to every two hours on smooth headways on Routes 2 and 4. Route 10A, which had been eliminated entirely the previous year’s Off-Season, was restored with trips every two hours.

Route 5: Service increased, restoring smooth headway service every two hours.

Route 6: Trip departure times were modified with similar level of service.

Route 7: Additional late afternoon round trip added.

Route 8: Service re-added to schedule, operating every two hours.

Route 9: Added another round trip late afternoon.

Routes 10 and 13: No service modifications.

Routes 11 and 12: These seasonal routes continued to not operate during the Off-Season.

Changes to In-Season 2023 as compared to In-Season 2022 (mid-May to late June)

The start of In-Season 2023 (at the end of FY 2023) was an operational improvement on the previous year. Evening service was restored on up-Island Routes 3, 4, 5 and 6. Most importantly,

the published schedule did not need to be modified on the fly due to labor shortages. Travel demand and ridership figures continued to trend toward the goal of pre-pandemic recovery. After three years of public health concerns dominating the transit industry, bus use was returning more to normalcy. New features such as contactless digital ticketing had been adopted at an accelerated rate, and are now accepted as the most common way of fare payment.

As always, the VTA will continue to evaluate schedules each season on a trip by trip basis, adding service (when possible) as requested by the traveling public and deleting underutilized trips. As part of the electrification of the full fleet (just over 50% complete), smaller fixed route vehicles have been added to the fleet. This will allow the VTA to better match vehicle capacity to travel demand on the different VTA routes. While not much of a change effectively for the passenger traveling from Point A to Point B on Martha's Vineyard, it is another example of the evolution of the VTA as an adapting rural transit system.

Electronic Ticketing

In December 2022, the VTA awarded an RFP for Fixed Route Technologies that included Electronic Fareboxes, Automatic Passenger Counters (APC), Integrated CAD/AVL System, Automated Annunciator System and Interior Display Signs. Implementation of the new systems began in the spring of 2023 and is ongoing.

Clean Transportation Initiatives

In 2017, the VTA commenced an ambitious project to electrify its transit fleet and fuel the fleet with renewable solar energy and integrated energy storage. This system of locally generated renewables, storage and vehicle charging will create a first-of-its-kind fully integrated, clean, resilient, and flexible public transportation system. The VTA has updated its operations and maintenance facility and now has an electrical distribution system capable of supplying electricity for charging stations for 40 buses, 7 vans and 6 cars. The installation of Energy Storage Systems (ESS), solar canopies and inductive charging included a central control system manages vehicle charging, reduces peak demand by ESS discharge, and supplies emergency power through an island-able micro grid.

The VTA currently has 17 electric buses and three (3) E-Jest electric minibuses in service, which accounts for about 58% of the total bus fleet. At just twenty feet long, the three new E-Jests have been a success on lower density routes like the seasonal Edgartown Park & Ride, Routes 2, 4, 8 and 10A, and have even made appearances on Route 1!

Additionally, the VTA expects delivery of seven (7) more electric buses in FY24.

Partnerships & Community Outreach

The VTA continues to partner with the Island's councils on aging, elderly and disabled housing authorities, and schools to provide reduced fare annual passes for the Island's elderly, disabled and youth. Reduced fare passes are available for purchase through the councils on aging and all Island schools. The VTA also offers a Military reduced fare.

For the past 21 years, the VTA has maintained the Island's school bus fleet, saving the school district money and the complications of getting vehicles to the mainland for repair services, as viable and affordable alternatives do not exist in the private sector on the Island.

The VTA leases office space within their building to the Registry of Motor Vehicles (RMV) to operate a local branch for the Island.

The VTA maintains its own fuel island on the property, with above-ground diesel and unleaded fuel tanks. We are the largest consumer of fuel on the Island. We allow other public agencies to fuel at our facility which, with the pooling of our fuel purchases saves tens of thousands of dollars annually for these public agencies: the Martha's Vineyard School District, the Airport, Dukes County Sheriff's Department, several Towns police, fire and highway departments, Island Elderly Housing, the Land Bank and the County. A computerized fuel authorization system allows access for these agencies to fuel twenty-four hours a day.

The VTA property is host to training exercises for MV Tactical Response Team and fire department drills. The VTA has provided vehicles and drivers, as needed, to the Airport so they can coordinate their MCI Drills, as required by FAA. We are a member of the County and all Island Towns' Emergency Management plans for evacuations, transportation and cooling/warming rehabilitation vehicles in the event of an emergency.

The VTA is home to the Island's only Commercial Driver's License (CDL) course. The VTA allows private, as well as other public agencies, to train on and use the course for licensing.

Operational Facts and Figures

Fixed Route

Facts:

| | FY 23 | FY 22 |
|---|----------------|-------------|
| Annual Ridership | 899,699 | 772,214 |
| Annual Farebox Revenue | \$1,502,838.68 | \$1,598,570 |
| Annual Cost of Operations | \$6,978,323 | \$5,381,257 |
| % of Fare Box Recovery of Operating Costs | 20% | 27.1% |
| Fleet Size | 33 | 34 |

Fixed Route:

| | | |
|------------------------|-----------|-----------|
| Number of Fixed Routes | 14 | 14 |
| Annual Passenger Trips | 899,699 | 772,214 |
| Annual Revenue Hours | 62,693 | 61,168 |
| Annual Revenue Miles | 997,479 | 981,295 |
| Annual Vehicle Hours | 66,755 | 64,797 |
| Annual Vehicle Miles | 1,056,651 | 1,039,507 |

Performance Measures:

| | | |
|--------------------------------------|----------|---------|
| Operating Expense Per Passenger Trip | \$11.59 | \$10.78 |
| Operating Expense Per Revenue Hour | \$116.39 | \$96.76 |
| Operating Expense Per Revenue Mile | \$7.07 | \$5.90 |
| Passenger Trips Per Revenue Hour | 12.72 | 11.23 |
| Passenger Trips Per Revenue Mile | 0.81 | 0.70 |
| Required Subsidy Per Passenger Trip | \$10.27 | \$8.68 |

Fare Information:

Fixed Routes Fares:

| | | |
|-------------------------|-------------------|-------------------|
| Adult Base | \$2 / \$1.25 zone | \$2 / \$1.25 zone |
| Elderly Fare | \$1 / \$0.75 zone | \$1 / \$0.75 zone |
| Disabled & Veteran Fare | \$1 / \$0.75 zone | \$1 / \$0.75 zone |
| Under 12 | \$2 / \$1.25 zone | \$2 / \$1.25 zone |
| Under 6 | Free | Free |
| Student Pass | Reduced Fare | Reduced Fare |

Operational Facts and Figures

ADA - Demand Response

Facts:

| | FY 23 | FY 22 |
|---|-----------|-----------|
| Annual Ridership | 10,266 | 7,976 |
| Annual Farebox Revenue | \$15,314 | \$120,669 |
| Annual Cost of Operations | \$601,017 | \$576,205 |
| % of Fare Box Recovery of Operating Costs | 2.62% | 21.09% |
| Fleet Size | 8 | 8 |

Demand Response Statistics:

| | | |
|------------------------|--------|--------|
| Annual Passenger Trips | 10,266 | 7,976 |
| Annual Revenue Hours | 5,184 | 4,802 |
| Annual Revenue Miles | 74,089 | 68,800 |
| Annual Vehicle Hours | 5,760 | 5,336 |
| Annual Vehicle Miles | 82,321 | 76,444 |

Performance measures:

| | | |
|--------------------------------------|----------|----------|
| Operating Expense Per Passenger Trip | \$59.07 | \$74.49 |
| Operating Expense Per Revenue Hour | \$116.14 | \$120.99 |
| Operating Expense Per Revenue Mile | \$8.23 | \$8.56 |
| Passenger Trips Per Revenue Hour | \$1.99 | 1.67 |
| Passenger Trips Per Revenue Mile | \$0.14 | 0.12 |
| Required Subsidy Per Passenger Trip | \$57.54 | \$59.15 |

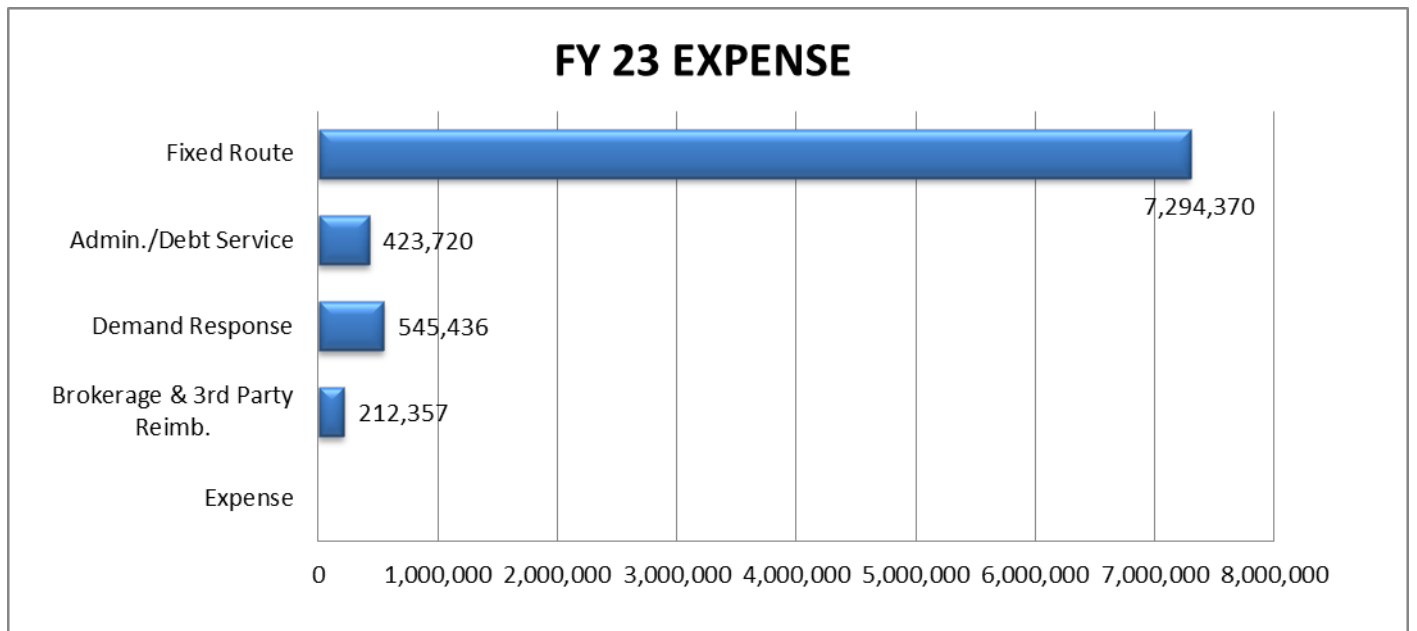
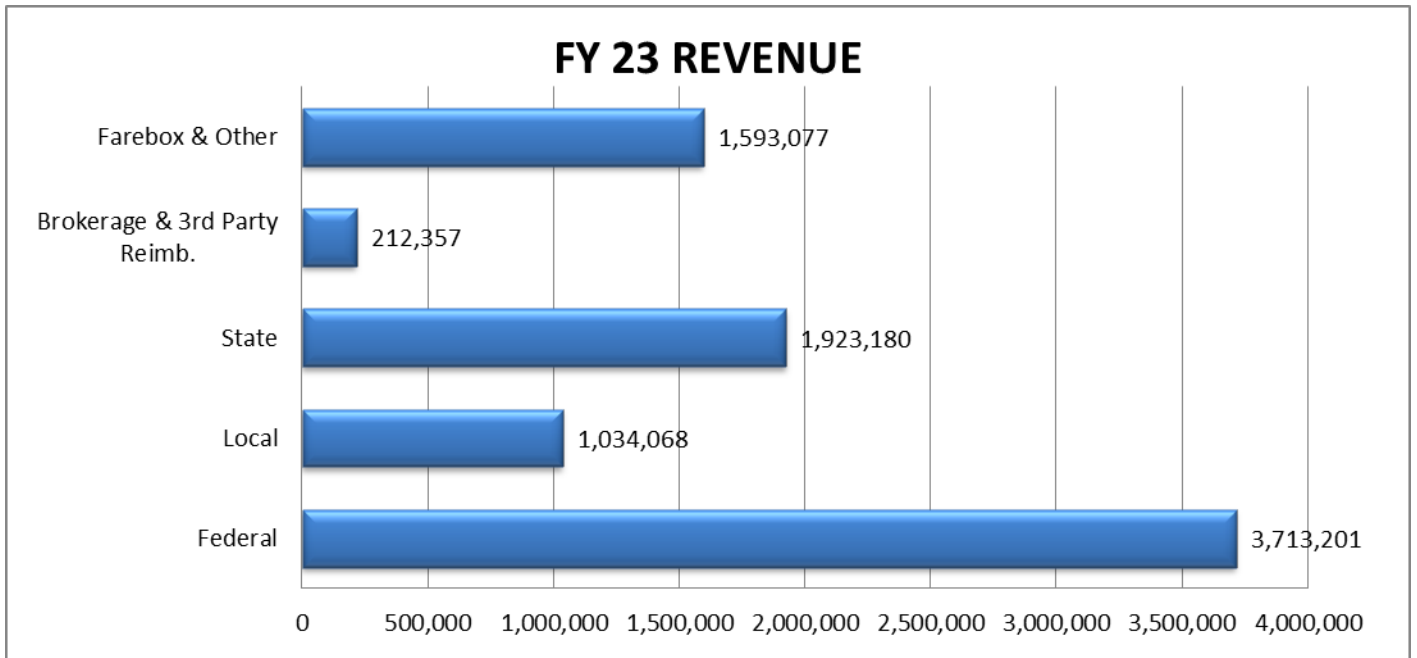
Fare Information:

Paratransit:

| | | |
|--------------------|-------------|-------------|
| Elderly | \$2.00/town | \$2.00/town |
| Disabled & Veteran | \$2.00/town | \$2.00/town |
| Pass Program | N/A | N/A |
| Ticket Program | N/A | N/A |

Finance

Revenue and Expenses



Statement of Net Position

| ASSETS | 2023 | 2022 |
|---|---------------|---------------|
| Current Assets | | |
| Cash and cash equivalents | \$ 65,850 | \$ 669,125 |
| Receivable for operating assistance | \$ 2,442,324 | \$ 1,941,289 |
| Inventory | \$ 372,110 | \$ 402,568 |
| Prepaid expense | \$ 251,611 | \$ 171,985 |
| Prepaid fuel hedge | \$ - | \$ 27,521 |
| Lease receivable | \$ 30,332 | \$ 31,085 |
| Total current assets | \$ 3,162,227 | \$ 3,243,573 |
| Restricted & Noncurrent Assets | | |
| Restricted assets | | |
| Cash and cash equivalents | \$ 319,454 | \$ 307,574 |
| Receivable for capital assistance | \$ 5,143,791 | \$ 1,655,590 |
| Total restricted assets | \$ 5,463,245 | \$ 1,963,164 |
| Receivable for operating assistance | \$ 558,904 | \$ 544,915 |
| Capital assets, net | \$ 27,841,623 | \$ 23,151,269 |
| Net OPEB asset | \$ 242,424 | \$ 453,474 |
| Lease receivable, less current portion | \$ 66,166 | \$ 94,015 |
| Right to use asset | \$ 182,993 | \$ 243,991 |
| Total restricted assets & noncurrent assets | \$ 34,355,355 | \$ 26,450,828 |
| Total assets | \$ 37,517,582 | \$ 29,694,401 |
| Deferred Outflows of Resources | | |
| Deferred outflows of resources related to pension | \$ 265,887 | \$ 146,940 |
| Deferred outflows of resources related to OPEB | \$ 165,898 | \$ 130,239 |
| Total assets & deferred outflows of resources | \$ 37,949,367 | \$ 29,971,580 |
| LIABILITIES | | |
| Current liabilities | | |
| Accounts payable and accrued expense | \$ 910,161 | \$ 305,049 |
| Lease liability | \$ 77,352 | \$ 74,577 |
| Total current liabilities | \$ 987,513 | \$ 379,626 |
| Restricted and noncurrent liabilities | | |
| Liabilities payable from restricted assets | | |
| Accounts payable and accrued expense | \$ 3,299,449 | \$ 1,176,343 |
| Total liabilities payable from restricted assets | \$ 3,299,449 | \$ 1,176,343 |
| Lease liability, less current portion | \$ 80,232 | \$ 157,584 |
| Net pension liability | \$ 456,041 | \$ 77,080 |
| Revenue Anticipation Notes | \$ 2,767,676 | \$ 2,000,000 |
| Total restricted and noncurrent liabilities | \$ 6,603,398 | \$ 3,411,007 |
| Total liabilities | \$ 7,590,911 | \$ 3,790,633 |
| Deferred Inflows of Resources | | |
| Deferred inflows of resources related to pension | \$ 50,050 | \$ 273,503 |
| Deferred inflows of resources related to OPEB | \$ 93,160 | \$ 192,605 |
| Deferred inflows of resources related to leases | \$ 91,507 | \$ 122,009 |
| | \$ 234,717 | \$ 588,117 |
| Total liabilities & deferred inflows of resources | \$ 7,825,628 | \$ 4,378,750 |
| NET POSITION | | |
| Invested in capital assets | \$ 27,841,623 | \$ 23,151,269 |
| Restricted | \$ 2,163,796 | \$ 786,821 |
| Other current assets | \$ 118,320 | \$ 1,654,740 |
| Total net position | \$ 30,123,739 | \$ 25,592,830 |