

**ATTACHMENT F**  
**FY 2026-2027 KCAPTA BUDGET**



# Kings County Area Public Transit Agency

Fiscal Year 2026 – 2027 Annual Budget





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# Kings County Area Public Transit Agency

Kings County Area Public Transit Agency Fiscal Year 2027 Budget  
Fiscal Year Period: July through June

## Board of Directors

Joe Neves	Kings County Supervisor	Chair
Alvaro Preciado	Avenal City Council	Director
Nancy Howzse	Hanford City Council	Director
Doug Verboon	Kings County Supervisor	Director
Patricia Matthews	Lemoore City Council	Director

## Executive Director

Angie Dow

## Management Staff

Heather J. Corder, Accountant/Auditor

Jimmy Maicas, Accountant/Auditor

Mark Pedreiro, Transit Manager

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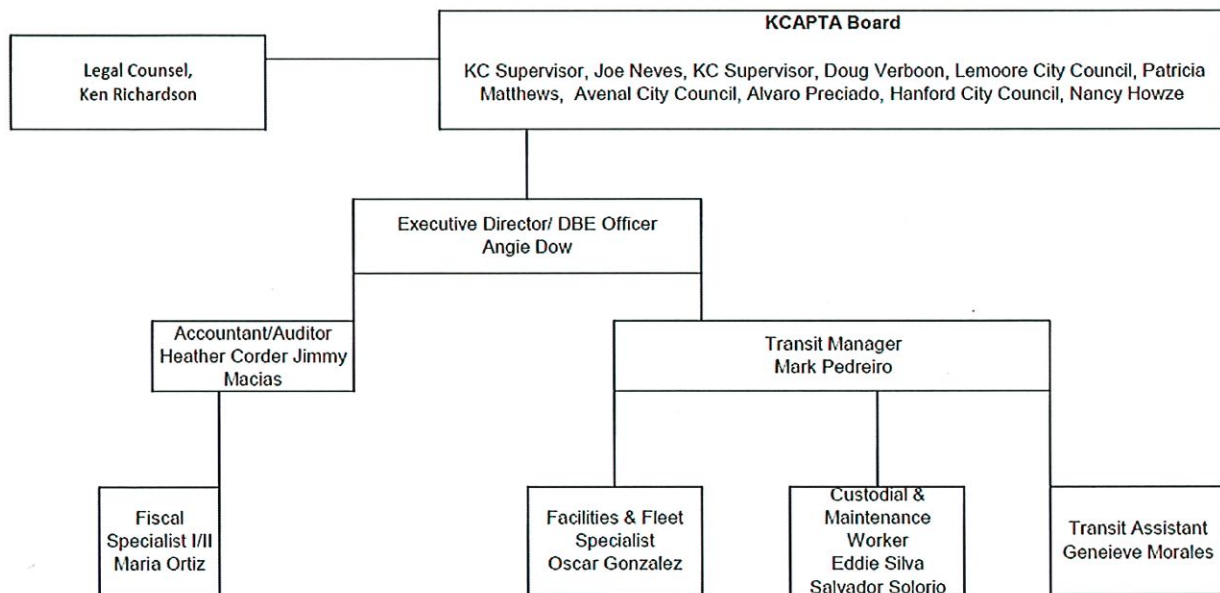
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## Kings County Area Public Transit Agency Organization Chart

### KINGS COUNTY AREA PUBLIC TRANSIT AGENCY





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## Message from the Accountant

April 29, 2026

On behalf of the Kings County Area Public Transit Agency (KCAPTA) Executive Director and staff, I am pleased to present the fiscal year 2027 Budget that supports the agency's key strategic priorities. This budget represents our commitment to these priorities and our continued efforts to enhance and strengthen public transit services in Kings County.

The FY 2027 Operating and Capital budgets are conservative yet resourceful, designed to control costs while ensuring the necessary resources for KCAPTA's operations and maintain a high quality of service. The combined Operating and Capital budgets are balanced, with total revenues and expenses of 10.9 million.

The development of this year's budget presented unique challenges, most notably the loss of approximately \$2,000,000 in Transportation Development Credits (TDCs). This loss significantly reduced available federal match funding, requiring staff to carefully evaluate expenditures, identify efficiencies, and make strategic adjustments to maintain a balanced budget while preserving service levels.

KCAPTA's operating budget for FY 2026 includes \$10.5 million in operating expenses. The most significant Operating Expense is the operations contract with MV Transportation. KCAPTA Staff developed the budget to support 62,176 Revenue Service hours and 977,100 Service miles, ensuring continued service delivery to the community.

The preparation of this budget reflects the collaborative efforts of the entire KCAPTA team. We sincerely appreciate the guidance and leadership provided by the KCAPTA Board of Directors throughout this process.

In conclusion, I am confident that the FY 2027 Operating and Capital budgets address current challenges while positioning KCAPTA for future stability. Staff will continue to pursue operational efficiencies and funding opportunities to mitigate the long-term impacts of the loss of TDCs. We remain committed to responsible stewardship of public funds and to delivering reliable, high-quality transit service that meets the needs of our community.

Heather Corder  
Accountant/Auditor



## KCAPTA Background

The inception of Kings Area Regional Transit (KART) operations in Kings County began in June of 1980 was a significant milestone. It marked the establishment of a joint powers' agency, a collaboration between the County of Kings and the Cities of Hanford, Lemoore, Corcoran, and Avenal. However, in June of 1982, the City of Corcoran withdrew from the agency believing its transportation services adequately met its transportation needs.

The vanpool programs, initiated by KCAPTA in 2001, underwent a significant expansion, operating across multiple counties. In 2008, KCAPTA embarked on a process to separate the vanpool programs into a new joint power entity specific to the counties where the vanpool programs operated. This process culminated in the formation of the California Vanpool Authority (CalVans) in October 2011. As of January 1, 2012, Calvans took over the operation of the vanpool programs. In 2020, KCAPTA received a grant and opened an RFP for Vanpool Services. KCAPTA partnered with Enterprise to offer the vanpool program in Kings County.

KCAPTA's governance is structured around a five-member Board of Directors (the Board), each member representing a key entity. Two members are appointed from the Kings County Board of Supervisors, one from the City of Hanford, one from the City of Lemoore, and one the City of Avenal. This diverse representation ensures a balanced decision-making process.

KCAPTA currently offers three types of service: the fixed route service, ADA Paratransit Service, and a Micro transit service. Fixed-route services are buses that operate on a predetermined route according to a schedule. The fixed route has posted timetables and designated stops where riders are picked up and dropped off. The ADA Paratransit Service uses smaller buses and operates on an appointment-demand basis. Riders make reservations, and the service is from origin to destination for eligible riders. The Micro Transit service allows KART to offer riders an on-demand option more flexible than designated fixed routes and appointment-like paratransit. In fiscal year 2022/2023, KCAPTA added the Micro Transit on-demand service, Go-KART, which allows riders to request travel as needed within Hanford's city limits.

KCAPTA operates nine Hanford routes, one between Hanford and Lemoore, one between Hanford and Lemoore Naval Air Station, three county routes, and two regional routes.

### ***Fixed Route***

KCAPTA is committed to environmental sustainability. Our 15 routes in the Kings County service area, operating from early morning to late evening on weekdays and with reduced service on Saturdays, are served by a fleet of 24 buses. These buses are not just safe and efficient, but also environmentally friendly. Our current active fleet of fixed-route buses is entirely Compressed Natural Gas (CNG) models, which burn cleaner than petroleum-based fuels like diesel. They have a lower carbon content and



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produce 20 to 30 percent fewer greenhouse gas emissions and 95% percent fewer tailpipe emissions than diesel fuel, making them a responsible choice for our environment.

Our commitment to accessibility and inclusivity is as strong as our commitment to environmental sustainability. All fixed-route buses in our fleet are equipped with bicycle racks, providing a convenient option for passengers who prefer to bike to their destinations. Moreover, our fixed-route buses are designed with accessibility in mind, featuring low floors, ramps, or wheelchair lifts to assist passengers in boarding and riding, ensuring that everyone in our community can benefit from our services.

### ***ADA Paratransit***

During fiscal year 2024, KCAPTA provided 9,401 rides to paratransit passengers throughout Kings County. All KCAPTA vehicles are equipped with ramps, low floors, or lifts to make boarding and riding the system easy for all passengers. Passengers who are unable to access fixed route service, have completed the application, and have been approved can travel on KCAPTA paratransit in the cities of Hanford and Lemoore. KCAPTA currently operates a fleet of 10 cutaways and 2 electric vehicles to provide paratransit and Micro Transit On-Demand transportation services to the community.

Passengers who receive approval for use of the Paratransit service may call and schedule a ride from their origin to their destination or use the app to schedule their trip. A personal care attendant (PCA) accompanying a paratransit customer may also travel fare-free on the service.

### ***Go-KART***

During fiscal year 2023, Micro Transit services provided 12,598 rides. Micro Transit on-demand routes offer a cost-effective solution, taking passengers from a location in Hanford city limits to the transit center for the affordable price of \$1.25. Additionally, for just \$3.00 Micro Transit on-demand can transport riders from curb to curb. Reservations for any on-demand service are required at least 30 minutes in advance.

### ***Connecting Services Provided to Other Operators***

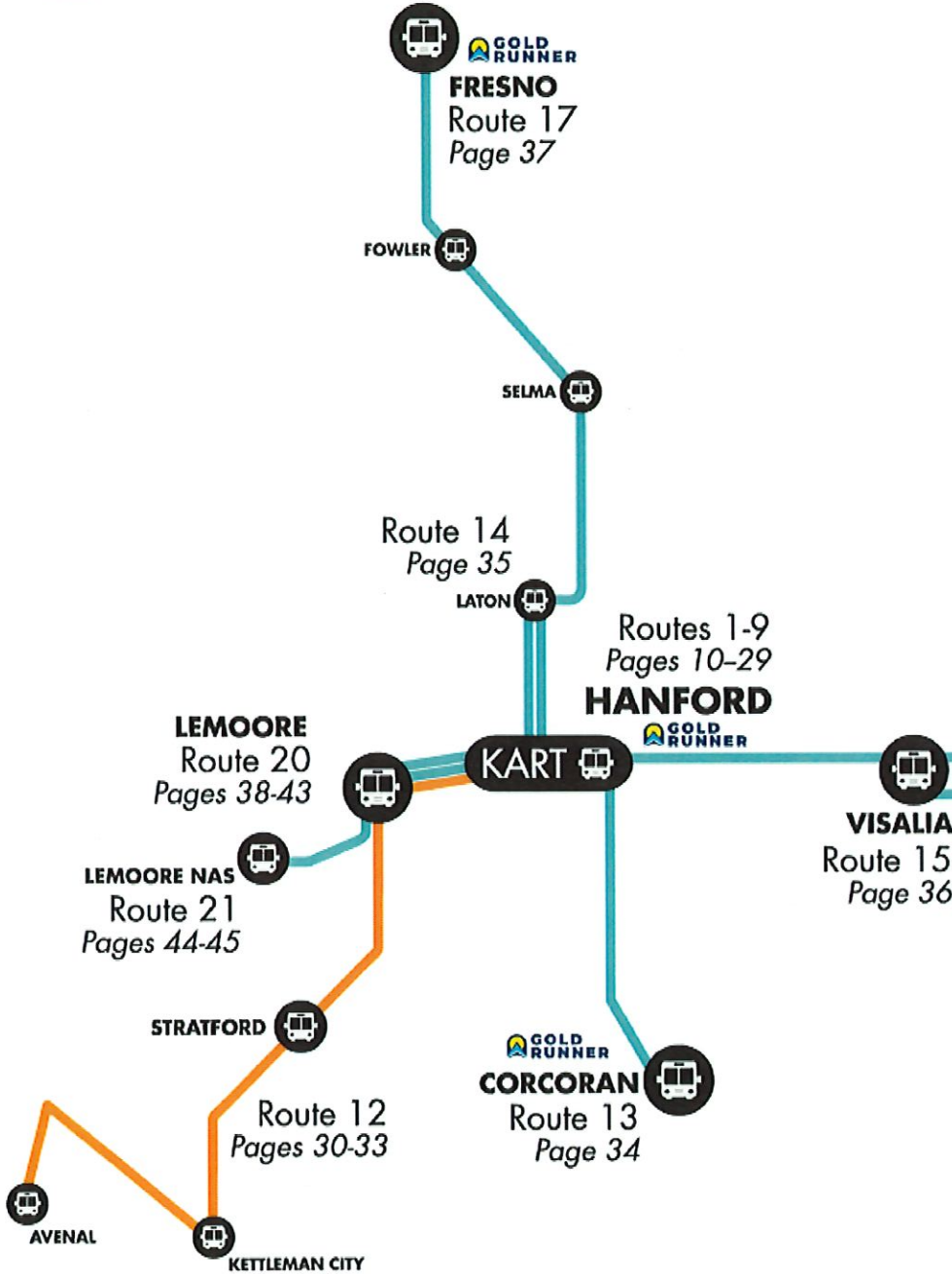
KCAPTA provides connecting services to Corcoran Area Transit via Route 13, Visalia Transit via Route 15, and Fresno Area Express via Route 17. KCAPTA also provides service to the Lemoore Naval Air Station via Route 21.



# KART System Map



## KINGS COUNTY ROUTES OVERVIEW





## KART Fares

### **Fixed Route Fares:**

Local Routes	\$ 1.25
Local Routes, Discounted	\$ 0.60
Out of Town Routes	\$ 1.75
Out of Town Routes, Discounted	\$ 0.85
Day Pass	\$ 4.00
Out of Town Day Pass	\$ 5.50
Local Routes Trip Card (10 Trips)	\$ 10.00
Out of Town Trip Card (10 trips)	\$ 14.00
Quarterly Pass (3 Months)	\$ 20.00
30-Day Pass - Local	\$ 50.00
30-Day Pass - Local Discounted	\$ 40.00
30-Day Pass - Out of Town	\$ 60.00
30-Day Pass - Out of Town, Discounted	\$ 50.00

KART Riders can receive discounted fares with a KART-issued ID card or Medicare card holders. Discounted fares are also available to Seniors 65 and older, Medicare card holders, persons with qualifying disabilities, and Students with a valid ID.

### **ADA Paratransit Fares**

The fare that can be charged for ADA paratransit service is limited by ADA rules to twice the full adult fare for a comparable fixed-route trip. Fares for paratransit services are \$2.50 per ride. Riders can purchase a 10-trip card for \$25.

### **Go-KART Fares**

Go-KART is an on-demand accessible transit service provided by KART. It allows riders to request travel as needed within the city limits of Hanford. Rides are \$3.00 one-way and are offered Monday through Friday 7:00 am to 9:00 pm and on Saturday. If riders are traveling to and from the KART Transit Center, the rides are only \$1.25 one-way.



## Operating Budget Overview

KCAPTA’s Operating and Capital budget is presented in further detail in the following pages. The table below summarizes the revenue and expenditure budgets for fiscal year 2026/2027, compared with the adopted budget for fiscal year 2026 and the actuals for fiscal year 2024/2025.

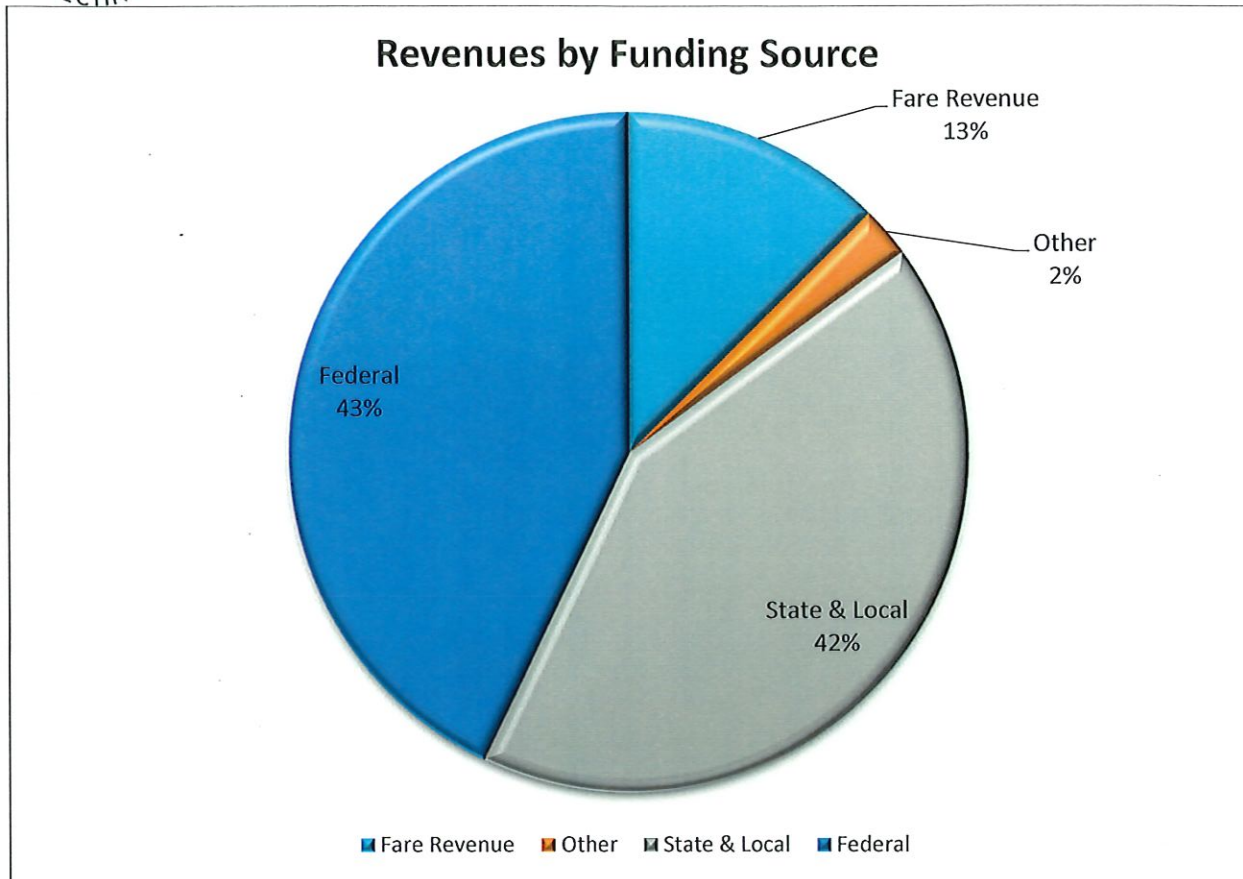
<b>Budget Category</b>	<b>Actual FY 2024/2025</b>	<b>Adopted FY 2025/2026</b>	<b>Proposed FY 2026/2027</b>
Total Revenue	\$10,619,524	\$10,952,731	\$10,917,916
Total Expenditure	\$10,479,116	\$11,095,706	\$10,917,916

Proposed fiscal year 2026/2027 totals \$10.9 million, \$34,800 less than the adopted fiscal year 2025/2026. This is due to a decrease in revenue funding, mainly because we are unable to use Transportation Development Credits to cover operational costs.

## Revenues

The proposed fiscal year 2026/2027 Budget includes revenues from transit fares, operating grants, capital grants, and other revenues such as advertising, rent, and miscellaneous revenues.

KCAPTA receives federal, state, and local revenue to support capital projects and ongoing operations. The State of California State Controller’s Office estimates the state apportionments of the State Transit Assistance (STA) Program and other state funding sources. The Controller’s Office is responsible for providing estimates for state tax dollars by January 31 of each year. The Federal Register provides apportionments for the federal programs, subject to Congressional appropriations. Federal Transit Administration (FTA) formula programs generally provide 80% of the cost of eligible activities with a 20% match from the Agency. Additional state and local funding sources supplement the FTA programs.



### Federal Transit Administration (FTA) Formula Programs

#### ***Section 5307: Formula Capital and Operating Grants for Urbanized Areas with a Population of 200,000 or More***

Section 5307 provides grants to finance planning and other capital projects at 80%. Capital projects include the acquisition, construction, and improvement of facilities and equipment used in the operation or lease of transportation services, as well as other incidental costs. Operating assistance is provided at 50% to finance program administration, technical assistance activities, and operating assistance to transit authorities to continue existing service and to meet routine demand changes.

The formula for determining each urbanized area's share involves population, density, bus and rail vehicle miles, and rail route miles. The FTA publishes the allocation for the recipients annually. KCAPTA will utilize \$3,458,000 for Operating in fiscal year 2026/2027.



### ***Section 5311: Capital and Operating Grants***

Section 5311 provides formula funding to states for supporting public transportation in areas with populations of less than 50,000. 80% of the statutory formula is based on the state's non-urbanized population. Twenty percent of the formula is based on land area. No state may receive more than 5 percent of the amount apportioned for land area. In addition, the Federal Transit Administration (FTA) adds the amount apportioned based on non-urbanized population, according to the growing states formula factors of 49 U.S.C. 5340, to the amounts apportioned by the State of California based on the population of the County's rural area.

Funds may be used for eligible capital expenses (at 80%), project administration, and operating expenses (at 50%) to provide efficient and coordinated public transportation services in non-urbanized areas. KCAPTA will utilize \$500,000 in 5311 funds for operations.

### **State Grants Revenue**

#### ***Transportation Development Act (TDA) and State Transit Assistance (STA)***

The Mills-Alquist-Deddeh Act (SB 325), or the Transportation Development Act of 1971, was enacted by the California Legislature to improve existing public transportation services and encourage regional transportation coordination. TDA provides funding for transit and non-transit-related purposes that comply with regional transportation plans. The TDA provides two funding sources: (1) Local Transportation Fund (LTF), which is derived from one-quarter of a cent of the general sales tax collected statewide, and (2) State Transit Assistance Fund (STA), which is derived from the statewide sales tax on diesel fuel. TDA funds various transportation programs, including planning and program activities, pedestrian and bicycle facilities, community transit services, public transportation, and bus and rail projects. Providing certain conditions are met, counties with a population under 500,000 may also use the LTF for local streets and roads, construction, and maintenance. The STA fund can only be used for transportation planning and mass transportation.

The State Board of Equalization, based on sales tax collected in each county, returns the general sales tax revenues to each county's LTF. The Legislature appropriates the STA funds to the State Controller's Office. That Office then allocates the tax revenue, by formula, to planning agencies and other selected agencies. The statute requires that 50% of STA funds be allocated according to population and 50% according to operator revenues from the prior fiscal year. KCAG, as the Regional Transportation Planning Agency, is responsible for releasing the apportionment of TDA funds each year in conformance with state statutes. KCAPTA has budgeted a total of \$1.25 million of STA funds.

#### ***Senate Bill 1 (SB1 - SGR)***

Senate Bill 1, the Road Repair and Accountability Act of 2017, was signed into law on April 28, 2017. The legislation increased gasoline and diesel taxes and created new vehicle taxes and fees to fund transportation. The tax increase took effect on November 1, 2017, and new vehicle registration fees began on January 1, 2018. Fees on zero-emission vehicles took effect July 1, 2020.



The State of Good Repair (SGR) program can be used for transit capital projects or services to maintain or repair existing transit fleets and facilities. New vehicles or facilities that improve existing transit services are also approved. The money is made available to transit operators based on the STA formula. KCAPTA has budgeted \$245,762 of SGR funds for capital projects.

#### ***Low Carbon Transit Operation Program (LCTOP)***

The Low Carbon Transit Operations Program (LCTOP) is one of several programs part of the Transit Affordable Housing and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862. The LCTOP was created to provide Operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, prioritizing servicing disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services and intermodal transit facilities and may include equipment acquisition, fueling, maintenance, and other operating costs for those services or facilities, with each project required to reduce greenhouse gas emissions. KCAPTA has a budget of \$231,534 to fund projects related to operations or capital. KCAPTA will be using \$40,000 on operating projects, such as the Quarterly Pass and \$100,000 on capital projects.

#### **Fare Revenue**

Fare Revenue is income generated from passengers using transit services. Fares included cash deposited in fare boxes, income from ticket sales and monthly passes, and revenue from special pass programs. This category also includes all revenues generated from the partnership with Enterprise for the Vanpool program. The fiscal year 2026/2027 proposes \$991,000 in fare revenue.

#### **Other Revenue**

Other revenues consist of auxiliary and non-transportation revenues. Auxiliary revenues include transit-system-generated revenues such as advertising. Non-transportation revenues include leases, investment income, and Low Carbon Fuel Standard (LCFS) credits. There is \$130,000 budgeted for Other Revenue.

#### **KCAPTA Reserves**

KCAPTA has a Prudent Reserve Policy, which the Board adopted in August 2014 and updated in January 2019 via Board Approval. Most Federal and State Grant funds cannot be used to build reserve funds. KCAPTA uses Advertisement Revenue, Concession Sales, and Renewable Natural Gas credits to create a reserve fund.

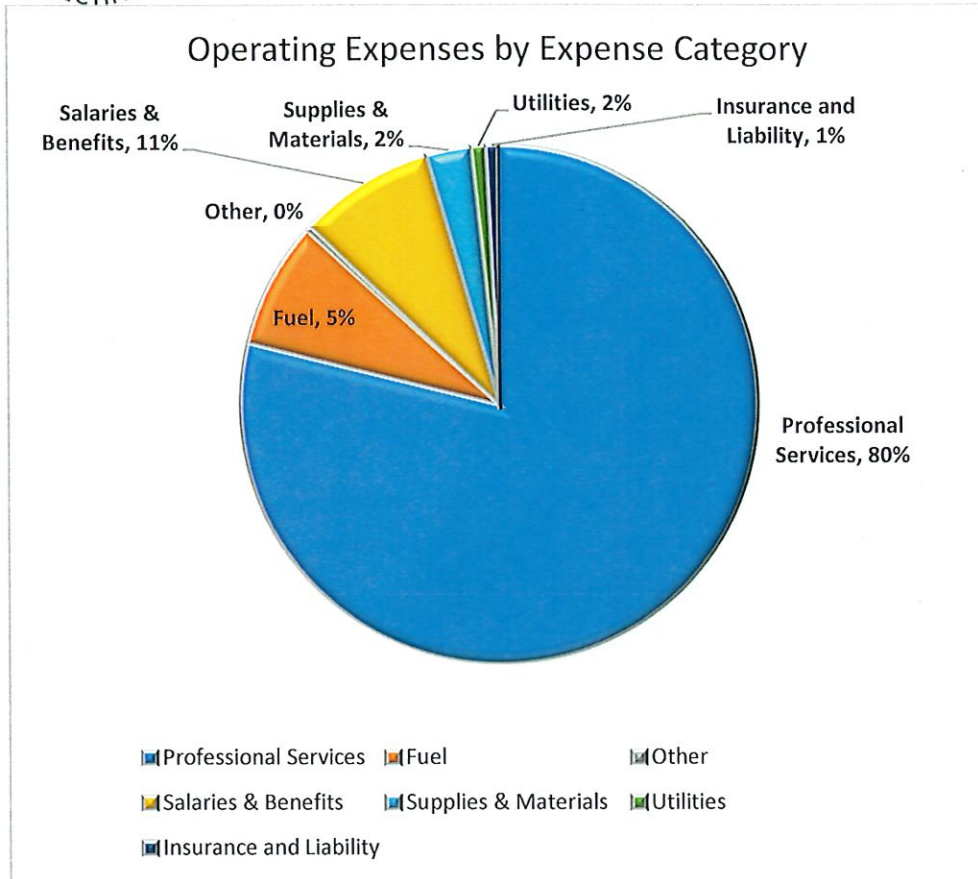


## Revenue Budget by Line item

<b>BUDGET UNIT 915000 - KART Revenue</b>		<b>FY 25/26</b>		<b>FY 26/27</b>
<b>FUND # 710340</b>		<b>Adopted</b>	<b>Estimated</b>	<b>Requested</b>
<b>Title</b>	<b>Account</b>	<b>24/25</b>	<b>24/25</b>	<b>Total</b>
Sales and Use Tax (LTF)	81007	2,000,000	2,000,000	3,000,000
Interest	80000	-	225,000	50,000
Rents & Concessions	84002	112,800	65,000	155,160
Fed Aid-Section 5311	88032	421,139	412,387	500,000
St Aid for Transportation	85077	1,384,758	12,880,000	1,251,548
Fed Aid - 5307 Funds	88017	4,338,549	5,500,000	3,458,000
State Of Good Repair	85077	240,158		245,762
LCTOP	85090	584,802		231,534
Other Governmental Funds	80000	485,500	108,440	904,000
Passenger Fares	88018	1,397,000	1,350,000	991,914
Advertisement Revenue	88014	38,000	38,000	55,000
Misc Income	88025	115,000	98,000	75,000
<b>Total Revenue</b>		<b>11,095,708</b>	<b>22,674,827</b>	<b>10,917,918</b>

## Operating Expenses

Two of the largest budget lines for KCAPTA are fuel costs and professional services. In professional services, the largest expense is purchased transportation. KCAPTA contracts with MV Transportation to provide all modes of public transit service.



#### **Salaries & Benefits**

This category includes payroll and benefits for all positions authorized by the KCAPTA Board of Directors. It accounts for wages, overtime pension, employer-paid healthcare, FICA, and all other KCAPTA-paid employee benefits. Budgeted salaries are gross wages, including holidays and paid time off. The Unfunded Accrued Liability payment for CalPERS has been included in the operating budget. The fiscal year 2026/2027 budget proposes \$1,121,630 in salaries and benefits, an increase of \$82,180 from the prior fiscal year. The increase is due to the two additional positions added in FY 26, and it includes a 2% Cost of Living increase for all staff.

#### **Professional Services**

This category includes purchased transportation (MV Transportation), services provided by Kings County, terminal security, and the costs for the Vanpool program with Enterprise. It is an increase of \$205 thousand from fiscal year 2025/2026. This increase is related to increased costs for MV Transportation and other professional contracts.

Purchased Transportation services are the single most significant cost driver in KCAPTA's operating budget, with \$6.7 million representing the MV Transportation contract. MV Transportation accounts for



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83% of the operating budget. Fiscal year 2026/2027 is the fourth year of a five-year agreement with MV Transportation.

***Fuel***

Budgeted bus service fuel costs 5% of the operating budget. The current year's budget increased from the prior fiscal year's budgeted amount. The fiscal year 2026/2027 budget is based on estimates that fuel costs will continue to increase in the next fiscal year. This estimate is based on current market trends.

***Utilities***

These expenditures are for electricity, gas, water, and trash collection services at the various KCAPTA facilities. The utilities budget increased from the prior fiscal year due to the move to the new facility.



## Operating Budget by Line Item

<b>BUDGET UNIT 915000 - KART Expenditures</b>				
<b>FUND # 710340</b>		<b>FY 25/26</b>		<b>FY 26/27</b>
Title	Account	Adopted 24/25	Estimated 24/25	Requested Total
<b>Salaries &amp; Employee Benefits</b>				
Regular Employees	91000	736,880	668,505	789,860
Overtime	91002	1,000	-	1,000
Retirement	91005	114,610	108,857	123,950
Health Insurance	91007	112,180	90,799	123,400
Management Benefits	91008	25,770	19,953	29,770
Insurance - Workers Comp	91010	34,000	19,268	38,000
Unemployment Insurance	91011	4,500	1,399	4,500
O.A.S.D.I.	91012	10,510	9,679	11,150
<b>Total Salaries &amp; Employee Benefits</b>		<b>1,039,450</b>	<b>918,460</b>	<b>1,121,630</b>
<b>Services &amp; Supplies</b>				
Supplies & Materials	92001	18,500	16,800	16,500
Communications	92006	61,000	57,500	60,000
Insurance	92014	100,000	135,735	148,500
Office Expense	92018	17,500	15,700	18,750
Maintenance - Equipment	92019	121,000	41,000	90,000
Maintenance - SI&G	92021	19,100	12,450	70,000
Fuel and Oil	92023	475,000	335,000	475,000
Memberships	92027	10,000	6,275	7,050
Bank Charges	92030	5,000	3,500	3,300
Postage & Freight	92033	750	500	750
Offset Printing/ Stores	92035	150	-	-
Computer Software Expense	92036	5,000	1,000	1,000
Prof & Spec Services	92037	7,970,000	7,425,000	8,175,000
Legal Expense	92038	14,400	14,400	14,400
Outreach Advertising Expense	92045	76,150	35,000	5,000
Auditing & Accounting	92046	25,000	25,000	25,000
Publications	92056	1,250	1,000	1,000
Rents & Leases - Equipment	92057	3,000	-	3,000
Rents & Leases - Computer Software	92058	120,500	132,000	131,000
Concessions	92063	9,000	3,350	-
Purchasing Charges	92068	7,850	2,850	3,420
Travel & Expense	92090	40,000	21,000	25,000
Utilities	92094	75,000	80,500	100,000
Interest on LTD	93003	400	400	220
<b>Total Services &amp; Supplies</b>		<b>9,175,550</b>	<b>8,366,460</b>	<b>9,373,890</b>
<b>Other Charges</b>				
Info Tech Services	92048	43,500	40,500	44,500
CAP Charges	92038	550	-	600
<b>Total Other Charges</b>		<b>44,050</b>	<b>40,500</b>	<b>45,100</b>
<b>Total Operating Budget</b>		<b>10,259,050</b>	<b>9,326,420</b>	<b>10,540,620</b>



## Capital Assets

Kings County Area Public Transit Agency fixed asset budget allocates resources to improve infrastructure by acquiring, constructing, purchasing, rehabilitating, and replacing facilities and major equipment. Improvement projects can occur in phases over multiple years.

### Projects:

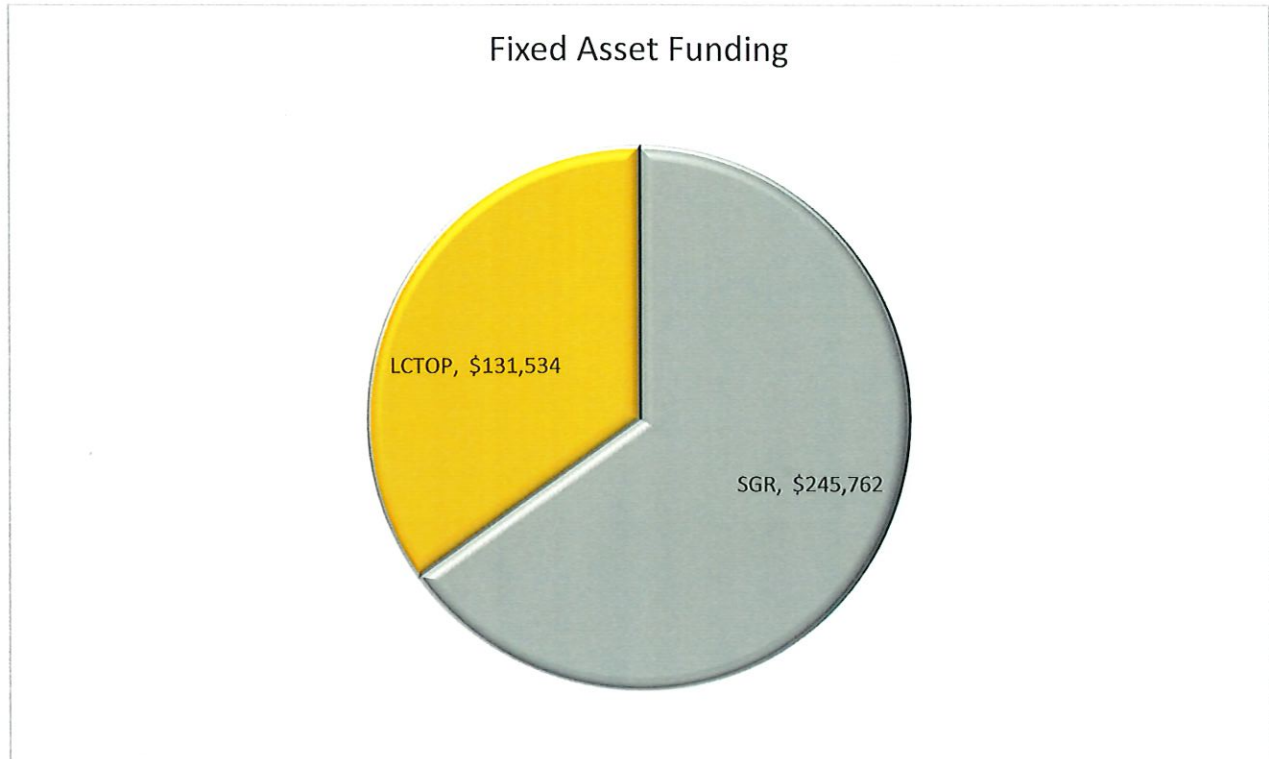
Project Title	Account	Amount
Rehabilitation of CNG Rolling Stock	94004	\$100,000
Zero Emission Bus	94004	\$177,296
EV Admin Vehicle	94004	\$100,000
	<b>Total:</b>	<b>\$377,296</b>

### Funding Sources:

Funding Source	Account	Amount
State of Good Repair (SGR)	85077	\$245,762
Low Carbon Transit Operations Program (LCTOP)	85090	\$131,534
	<b>Total:</b>	<b>\$377,296</b>



## Capital Budget Funding





## Capital Budget Projects Detail

### *Rehabilitation of CNG Rolling Stock*



**Project Description:** This project is for the rebuilding of CNG Engines.

**Project Justification:** The rebuilding of CNG engines allows KCAPTA to increase the service life of the bus.

**Fiscal Implications:** *Funding* for this project will be allocated from State of Good Repair Funds. KCAPTA has received a grant, and this project is fully funded.

**Project Budget Summary:**

Project Title	Account	Amount
Repair and Rebuild Costs	94004	\$100,000

**Funding:**

Funding Source	Account	Amount
State of Good Repair (SGR)	85077	\$100,000



## Zero Emission Bus



**Project Description:** This project is for the purchase of a Zero-Emission Bus

**Project Justification:** KCAPTA is purchasing Zero Emission Buses to expand the fleet and replace older buses.

**Fiscal Implications:** Funding for this project will be allocated from Low Carbon Transit Funding. KCAPTA received a grant from LCTOP.

**Project Budget Summary:**

Project Title	Account	Amount
Purchase of Zero-Emission Bus	94004	\$177,296

**Funding:**

Funding Source	Account	Amount
Low Carbon Transit Operations Program (LCTOP)	85077	\$177,296



## **Zero Emission Administrative Vehicle**

**Project Description:** This project is for the purchase of a Zero Emission EV Vehicle for Admin

**Project Justification:** KCAPTA is procuring an electric vehicle for administrative use to expand the fleet and replace older gas-powered vehicles.

**Fiscal Implications: Funding** for this project will be allocated from Low Carbon Transit Funding. KCAPTA received a grant from LCTOP.

**Project Budget Summary:**

Project Title	Account	Amount
Purchase of Zero-Emission Vehicle	94004	\$177,296

**Funding:**

Funding Source	Account	Amount
Low Carbon Transit Operations Program (LCTOP)	85077	\$177,296