



transpo

***south bend public
transportation corporation***

2020 FISCAL OPERATING & CAPITAL BUDGET

January 1, 2020 through December 31, 2020

Prepared By
South Bend Public Transportation

SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

SOUTH BEND, INDIANA

2020 FISCAL YEAR BUDGET REQUEST

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BUDGET ESTIMATE FOR 2020

PROJECTIONS / ASSUMPTIONS

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SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

2020 REVENUE PROJECTION

| SOURCE | % CHANGE - 2020 BUDGET vs. ACTUAL | | | |
|--------------------------------|-----------------------------------|----------------------|----------------------|----------------|
| | 2020 BUDGET | 2019 BUDGET | 2018 ACTUAL | 2018 ACTUAL |
| FAREBOX | \$ 1,370,101 | \$ 1,394,874 | \$ 1,383,881 | -1.78% |
| | \$ | - | | -1.00% |
| ADVERTISING | \$ 160,000 | \$ 120,000 | \$ 134,303 | 33.33% |
| LEASE REVENUE | \$ 2,400 | \$ 2,400 | \$ 165,055 | 0.00% |
| CONCESSIONS AND MISCELLANEOUS | \$ 31,700 | \$ 34,100 | \$ 19,281 | -7.04% |
| INTEREST INCOME | \$ 993 | \$ 646 | \$ 8,015 | 53.72% |
| | \$ | - | | -87.61% |
| PROPERTY TAX | \$ 3,001,919 | \$ 3,104,261 | \$ 3,052,031 | -3.30% |
| LICENSE EXCISE TAX | \$ 260,000 | \$ 210,000 | \$ 254,147 | 23.81% |
| | \$ | - | | 2.30% |
| OPTION INCOME TAX | \$ 674,183 | \$ 587,208 | \$ 642,702 | 14.81% |
| STATE ASSISTANCE | \$ 2,015,382 | \$ 2,040,382 | \$ 2,030,690 | -1.23% |
| FEDERAL PREVENTIVE MAINTENANCE | \$ 1,400,000 | \$ 1,440,000 | \$ 1,372,400 | -3% |
| FEDERAL ASSISTANCE | \$ 1,455,000 | \$ 1,483,735 | \$ 1,751,790 | -2% |
| LEASE PAYMENT FROM CITY | \$ 200,000 | \$ 200,000 | \$ 200,000 | 0% |
| TOTAL | \$10,571,678 | \$ 10,617,606 | \$ 11,014,296 | -0.43% |

SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

2020 EXPENSE PROJECTION

| Expense Category | % CHANGE - 2020 BUDGET VS. ACTUAL | | | | |
|---|-----------------------------------|---------------------|---------------------|----------------|----------------|
| | 2020 BUDGET | 2019 BUDGET | 2018 ACTUAL | 2019 BUDGET | 2018 ACTUAL |
| Tangible Property / Fixed Assets | \$ - | \$ - | \$ - | N/A | N/A |
| Salaries & Wages | \$ 5,910,479 | \$ 5,741,969 | \$ 5,336,932 | 2.93% | 10.75% |
| Fringe Benefits | \$ 2,441,456 | \$ 2,565,921 | \$ 2,045,682 | -4.85% | 19.35% |
| Services | \$ 511,079 | \$ 501,079 | \$ 596,149 | 2.00% | -14.27% |
| Materials & Supplies | \$ 994,734 | \$ 1,049,336 | \$ 1,153,848 | -5.20% | -13.79% |
| Utilities | \$ 335,716 | \$ 381,545 | \$ 232,063 | -12.01% | 44.67% |
| Insurance | \$ 259,436 | \$ 250,477 | \$ 241,776 | 3.58% | 7.30% |
| Other Taxes | | | | | |
| Miscellaneous | \$ 118,777 | \$ 127,277 | \$ 205,243 | -6.68% | -42.13% |
| SUB-TOTAL | \$ 10,571,678 | \$10,617,606 | \$ 9,811,693 | -0.43% | 7.75% |
| Transfer - Capital Improvements / Reserve for Liability | | | | | |
| TOTAL | \$ 10,571,678 | \$10,617,606 | \$ 9,811,693 | -0.43% | 7.75% |

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Budgeted Appropriations

| Category | Operating Budget | | Capital Budget | | Total 2020 Appropriations |
|-----------------------------|----------------------|----------------------|---------------------|-------------------|------------------------------|
| | 2020 | 2019 | 2020 | 2019 | |
| Personnel Services | 8,351,935 | 8,307,891 | | | 8,351,935 |
| Other Services and Charges | 1,225,008 | 1,260,378 | | | 1,225,008 |
| Supplies | 994,734 | 1,049,336 | | | 994,734 |
| Capital Outlays | 282,710 | 198,710 | 1,413,550 | 993,550 | 1,696,260 |
| Total Appropriations | \$ 10,854,387 | \$ 10,816,315 | \$ 1,413,550 | \$ 993,550 | \$ 12,267,937 |
| | | | | | |



2020 OPERATING BUDGET ASSUMPTIONS

REVENUES:

Federal, State, and Local: Transpo continues to avail ourselves of annual federal capital formula grant funds for preventative maintenance and operating assistance. The application of such funds towards the operating budget assists with offsetting loss in revenues from the State of Indiana's Public Mass Transportation Fund (PMTF) and local Property Tax revenue. This allocation decreases the funds available for routine maintenance and equipment replacement.

Ridership and Revenue: For the last several years, Transpo's fixed route ridership and revenue has decreased with the improved economy and low employment rates. This trend is expected to continue through 2020. Access revenue and ridership continues to grow as the population continues to age. This trend is expected to continue through 2020. Transpo is in the process of negotiating contract renewals with the University of Notre Dame, Saint Mary's College, Holy Cross College and Ivy Tech Community College with an anticipated increase in revenue.

EXPENSES:

Employee Wages and Benefits: For 2020, Transpo budgeted, a slight increase in wages for employees. Employee benefits reflect an estimated increase of 10% from the 2019 budget. This is mainly due to an anticipated increase in health insurance premiums and pension contributions (to be determined during the collective bargaining process).

Vehicular and Operating: Vehicular and other insurances costs have increased over the 2019 budget. This was due to an increase in vehicle liability insurance over the last year. Fuel cost per gallon decreased from the prior year amounts to \$2.20 per gallon for both diesel and unleaded fuels. Transpo's CNG usage for fixed route vehicles has increased and will continue to do so as diesel vehicles, that have exceeded their useful life, are replaced with CNG. Transpo anticipates receipt of at least two new fixed route CNG vehicles in 2020.

Transfer – Capital Improvement Fund/Restricted Liability Reserve: The 2020 budget does not provide the opportunity to transfer funds into the capital account to fund capital purchases. If at the end of 2020, a budget surplus would occur, the surplus would be transferred to the capital account to fund 2021 capital purchases.

- **UPON THE ADOPTION OF THE ANNUAL BUDGET BY THE SOUTH BEND PUBLIC TRANSPORTATION BOARD OF DIRECTORS, A MONTHLY BUDGET, BASED ON HISTORICAL AND FUTURE TRENDS, WILL BE ESTABLISHED. THIS WILL HELP FACILITATE THE MONTHLY REVIEW OF FINANCIAL REPORTS BY BOARD MEMBERS AND INTERNAL MANAGEMENT.**



2020 OPERATING BUDGET POLICY STATEMENTS

FINANCIAL CAPACITY:

1. Management will continue to search for investment, grant and funding opportunities to maximize revenues.
2. Management will assure cash handling practices to safeguard funds in its protection and toward timely collection of funds owed.

SERVICE POLICY:

3. A review of current services levels will be conducted and recommendations will follow based upon the results of the analysis.
4. Access service will be provided in accordance with all applicable FTA guidelines.

MANAGEMENT:

5. A professional workforce will carry out our Mission Statement. Management will assure fairness, consistency, and effective Equal Employment Opportunity and Affirmative Action policies and practices.
6. Assumes continuation of team development, employee recognition, and continuation of increased opportunities for employee training.
7. Assumes continued pursuit of programs of wellness and accident prevention in an effort to stem, to whatever extent possible, rising insurance costs.

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2020 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Salaries & Wages Summary

| | | | |
|-------------|---------------------|----------------------------|----------------------------|
| 2018 ACTUAL | <u>\$ 5,336,932</u> | 2020 BUDGET REQUEST | <u>\$ 5,910,479</u> |
|-------------|---------------------|----------------------------|----------------------------|

| | | | |
|----------------------|-------------------|----------------------|---------------------|
| 2019 MONTHLY AVERAGE | <u>\$ 450,768</u> | 2019 APPROVED BUDGET | <u>\$ 5,741,969</u> |
|----------------------|-------------------|----------------------|---------------------|

| | | | |
|------------------|---------------------|---------------|-------------------|
| 2019 EST EXPENSE | <u>\$ 5,409,218</u> | BUDGET CHANGE | <u>\$ 168,510</u> |
|------------------|---------------------|---------------|-------------------|

| <u>Account Title</u> | <u>2019</u> | <u>2020</u> |
|-----------------------------|---------------------------|----------------------------|
| Operations-Fixed Route | \$3,405,159 | \$ 3,363,191 |
| Operations-ADA | 492,838 | 632,017 |
| Operations-Administration | 457,693 | 472,302 |
| Maintenance- Vehicles | 715,239 | 742,952 |
| Maintenance- Administration | 126,588 | 130,042 |
| Maintenance-Non-Revenue | 75,273 | 92,260 |
| General Administration | <u>469,179</u> | <u>477,715</u> |
| Total | <u><u>\$5,741,969</u></u> | <u><u>\$ 5,910,479</u></u> |

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2020 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Fringe Benefits Summary

| | | | |
|----------------------|---------------------|----------------------|---------------------|
| 2018 ACTUAL | <u>\$ 2,045,682</u> | 2020 BUDGET REQUEST | <u>\$ 2,441,456</u> |
| 2019 MONTHLY AVERAGE | <u>\$ 188,080</u> | 2019 APPROVED BUDGET | <u>\$ 2,565,921</u> |
| 2019 EST EXPENSE | <u>\$ 2,256,955</u> | BUDGET CHANGE | <u>\$ (124,465)</u> |

| <u>Account Title</u> | <u>2019</u> | <u>2020</u> |
|--|---------------------------|----------------------------|
| Fringe Benefits-FICA | \$ 439,261 | \$ 452,151 |
| Fringe Benefits-Pension Plan | 338,295 | 345,534 |
| Fringe Benefits-Medical Insurance | 1,557,303 | 1,435,997 |
| Fringe Benefits- Dental Insurance | 51,588 | 48,364 |
| Fringe Benefits--Life Insurance | 27,740 | 10,974 |
| Fringe Benefits-Short Term Disability | 21,168 | 9,150 |
| Fringe Benefits-Unemployment Insurance | 11,139 | 11,140 |
| Fringe Benefits-Workman's Compensation | 69,230 | 78,389 |
| Fringe Benefits-Uniforms | 46,197 | 45,757 |
| Fringe Benefits- Tool Allowance | 4,000 | 4,000 |
| Total | <u><u>\$2,565,921</u></u> | <u><u>\$ 2,441,456</u></u> |

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2020 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Services Summary

| | | | | | |
|----------------------|----|----------------|----------------------|----|----------------|
| 2018 ACTUAL | \$ | <u>596,149</u> | 2020 BUDGET REQUEST | \$ | <u>511,079</u> |
| 2019 MONTHLY AVERAGE | \$ | <u>46,589</u> | 2019 APPROVED BUDGET | \$ | <u>501,079</u> |
| 2019 EST EXPENSE | \$ | <u>561,566</u> | BUDGET CHANGE | \$ | <u>10,000</u> |

| Account Title | 2019 | 2020 |
|---------------------------------------|-------------------|-------------------|
| Management Service Fees | \$ - | \$ - |
| Professional & Technical | 193,439 | 207,939 |
| Board Travel | 10,000 | 5,000 |
| Temporary Help | 2,500 | 2,500 |
| Contract Services Operations | 37,050 | 37,050 |
| Contract Services Maintenance | 139,500 | 140,000 |
| Contract Services Administration | 54,540 | 54,540 |
| Security Services | 64,050 | 64,050 |
| Physical Damage Repairs | 20,000 | 20,000 |
| Recoveries of Physical Damage Repairs | (20,000) | (20,000) |
| | | |
| Total | \$ <u>501,079</u> | \$ <u>511,079</u> |

2020 BUDGET SUBMISSION

DEPARTMENT: Administration & Maintenance
ACCOUNT TITLE: Utilities
ACCOUNT NUMBER: 505-0x50-00 505-0x2x-00

| | | | |
|----------------------|-------------------|----------------------|--------------------|
| 2018 ACTUAL | <u>\$ 232,063</u> | 2020 BUDGET REQUEST | <u>\$ 335,716</u> |
| 2019 MONTHLY AVERAGE | <u>\$ 28,467</u> | 2019 APPROVED BUDGET | <u>\$ 381,545</u> |
| 2019 EST EXPENSE | <u>\$ 341,609</u> | BUDGET CHANGE | <u>\$ (45,829)</u> |

| <u>Account Title</u> | <u>2019</u> | <u>2020</u> |
|----------------------|-------------------|-------------------|
| Electricity | \$ 98,014 | \$ 120,000 |
| Electricity-CNG | \$ 147,629 | \$ 73,814 |
| Water & Sewage | \$ 16,654 | \$ 16,654 |
| Trash Collection | \$ 6,000 | \$ 6,000 |
| Telephone | \$ 34,000 | \$ 40,000 |
| Natural Gas | \$ 79,248 | \$ 79,248 |
| | <hr/> | <hr/> |
| | Totals | |
| | <u>\$ 381,545</u> | <u>\$ 335,716</u> |

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2020 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Insurance Summary

| | | | |
|----------------------|-------------------|----------------------|-------------------|
| 2018 ACTUAL | <u>\$ 241,776</u> | 2020 BUDGET REQUEST | <u>\$ 259,436</u> |
| 2019 MONTHLY AVERAGE | <u>\$ 20,673</u> | 2019 APPROVED BUDGET | <u>\$ 250,477</u> |
| 2019 EST EXPENSE | <u>\$ 248,071</u> | BUDGET CHANGE | <u>\$ 8,959</u> |

| | | |
|---|-------|-------------------|
| Insurance - Liability & Physical Damage | | \$ 253,151 |
| Other Corporate Insurance | | 6,285 |
| | | <hr/> |
| | Total | <u>\$ 259,436</u> |

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2020 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Miscellaneous Summary

| | | | |
|----------------------|-------------------|----------------------|-------------------|
| 2018 ACTUAL | <u>\$ 205,243</u> | 2020 BUDGET REQUEST | <u>\$ 118,777</u> |
| 2019 MONTHLY AVERAGE | <u>\$ 10,742</u> | 2019 APPROVED BUDGET | <u>\$ 127,277</u> |
| 2019 EST EXPENSE | <u>\$ 132,237</u> | BUDGET CHANGE | <u>\$ (8,500)</u> |

| <u>Account Title</u> | <u>2019</u> | <u>2020</u> |
|--|-------------------|-------------------|
| Dues & Subscriptions | \$ 20,277 | \$ 19,777 |
| Travel & Meetings | 30,000 | 25,000 |
| Community Services | 15,000 | 12,000 |
| Promotion | 6,000 | 6,000 |
| Advertising Placements | 45,500 | 45,500 |
| Interest Expense on Tax Warrants/Loans | 10,500 | 10,500 |
| Total | <u>\$ 127,277</u> | <u>\$ 118,777</u> |

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2020 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Materials & Supplies Summary

| | | | | | |
|----------------------|----|----------------|----------------------|----|------------------|
| 2018 ACTUAL | \$ | <u>744,264</u> | 2020 BUDGET REQUEST | \$ | <u>994,734</u> |
| 2019 MONTHLY AVERAGE | \$ | <u>65,407</u> | 2019 APPROVED BUDGET | \$ | <u>1,049,336</u> |
| 2019 EST EXPENSE | \$ | <u>784,885</u> | BUDGET CHANGE | \$ | <u>(54,602)</u> |

| Account Title | | 2019 | 2020 |
|----------------------------|------------------------|---------------------|-------------------|
| Fuel & Lubricants | Operations | \$ 728,722 | \$ 695,720 |
| Fuel & Lubricants | Maintenance | 11,954 | 11,954 |
| Tires & Tubes | Maintenance | 2,560 | 2,560 |
| Materials & Supplies | Operations | 25,000 | 20,000 |
| Materials & Supplies | Maintenance | 230,000 | 230,000 |
| Materials & Supplies | Marketing | 33,600 | 17,000 |
| Other Materials & Supplies | Operations | 4,500 | 4,500 |
| Other Materials & Supplies | Maintenance | 2,600 | 2,600 |
| Other Materials & Supplies | General Administration | 10,400 | 10,400 |
| Total | | <u>\$ 1,049,336</u> | <u>\$ 994,734</u> |

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2020 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Capital Fund Requirements

ACCOUNT NUMBER: 301-0101-00

| | | | |
|----------------------|---------------------|----------------------|---------------------|
| 2018 ACTUAL | <u>\$ 3,706,636</u> | 2020 BUDGET REQUEST | <u>\$ 1,413,550</u> |
| 2019 MONTHLY AVERAGE | <u>\$ 173,785</u> | 2019 APPROVED BUDGET | <u>\$ 906,550</u> |
| 2019 EST EXPENSE | <u>\$ 2,085,425</u> | BUDGET CHANGE | <u>\$ 507,000</u> |

| <u>Grant Number</u> | <u>\$\$\$ Available</u> | <u>FTA/State Funded</u> | <u>Total Required</u> |
|----------------------|----------------------------|----------------------------|----------------------------|
| Grant- IN-04-0053 | \$ 1,512,750 | \$ 1,210,200 | \$ 302,550 |
| Grant-IN-16-X021 | \$ 800,000 | \$ 500,000 | \$ 300,000 |
| Grant-IN-90-X685 | \$ 30,000 | \$ 24,000 | \$ 6,000 |
| Grant- IN-90-X694 | \$ 50,000 | \$ 40,000 | \$ 10,000 |
| Grant- IN-90-X714 | \$ 75,000 | \$ 60,000 | \$ 15,000 |
| 2019-5307- FTA GRANT | \$ 3,000,000 | \$ 2,400,000 | \$ 600,000 |
| 2019-5339-Funding | \$ 900,000 | \$ 720,000 | \$ 180,000 |
| | | | |
| Total | <u><u>\$ 6,367,750</u></u> | <u><u>\$ 4,954,200</u></u> | <u><u>\$ 1,413,550</u></u> |

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2020 BUDGET SUBMISSION

DEPARTMENT: All
ACCOUNT TITLE: Passenger Fares Summary
ACCOUNT NUMBER: 413-0100-00

| | | | |
|-----------------|---------------------|----------------------|---------------------|
| 2018 ACTUAL: | <u>\$ 1,337,076</u> | 2020 BUDGET REQUEST | <u>\$ 1,370,101</u> |
| 2019 AVERAGE: | <u>\$ 117,420</u> | 2019 APPROVED BUDGET | <u>\$ 1,394,874</u> |
| 2019 ESTIMATED: | <u>\$ 1,409,034</u> | BUDGET CHANGE: | <u>\$ (24,773)</u> |

| <u>Account Title</u> | <u>2019</u> | <u>2020</u> |
|---------------------------|---------------------|---------------------|
| Passenger Revenue | \$ 713,002 | \$ 697,301 |
| Access Passenger Revenue | 50,916 | 57,136 |
| Access Punch Card Revenue | 83,818 | 86,868 |
| Passport Revenue | 166,110 | 176,155 |
| Student Pass Revenue | 40,560 | 34,950 |
| Trippler Revenue | 9,783 | 9,783 |
| Two Week Pass | 109,026 | 107,928 |
| One Day Pass | 221,658 | 199,980 |
| Student Summer Pass | - | - |
| | <u>\$ 1,394,874</u> | <u>\$ 1,370,101</u> |