

transpo

***south bend public
transportation corporation***

2018 FISCAL OPERATING & CAPITAL BUDGET

January 1, 2018 through December 31, 2018

Prepared By
South Bend Public Transportation

SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

SOUTH BEND, INDIANA

2018 FISCAL YEAR BUDGET REQUEST

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SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

2018 REVENUE PROJECTION

SOURCE	% CHANGE - 2017 BUDGET VS. Actual				
	2018 BUDGET	2017 BUDGET	2016 ACTUAL	2018 BUDGET	2016 ACTUAL
FAREBOX	\$ 1,642,051	\$ 1,469,079	\$ 1,364,468	11.77%	20.34%
CHARTER	\$ -	\$ -	\$ -	0.00%	0.00%
ADVERTISING	\$ 79,497	\$ 72,000	\$ 72,000	10.41%	10.41%
LEASE REVENUE	\$ 2,400	\$ 2,400	\$ 253,150	0.00%	-99.05%
CONCESSIONS AND MISCELLANEOUS	\$ 34,311	\$ 23,500	\$ 27,860	46.00%	23.15%
INTEREST INCOME	\$ 13,045	\$ 12,985	\$ 2,713	0.46%	380.83%
PROPERTY TAX	\$ 2,954,329	\$ 2,883,701	\$ 2,844,454	2.45%	3.86%
LICENSE EXCISE TAX	\$ 208,548	\$ 227,789	\$ 228,762	-8.45%	-8.84%
FINANCIAL INSTITUTION TAX	\$ -	\$ -	\$ -	0.00%	0.00%
OPTION INCOME TAX	\$ 547,130	\$ 433,262	\$ 685,597	26.28%	-20.20%
STATE ASSISTANCE	\$ 2,130,958	\$ 2,029,483	\$ 1,984,401	5.00%	7.39%
FEDERAL PREVENTIVE MAINTENANCE	\$ 1,440,000	\$ 1,640,000	\$ 1,202,592	-12%	19.74%
FEDERAL ASSISTANCE	\$ 1,410,000	\$ 1,875,000	\$ 1,344,600	-25%	4.86%
LEASE PAYMENT FROM CITY	\$ 200,000	\$ 200,000	\$ 200,000	0%	0.00%
TOTAL	\$10,662,269	\$ 10,869,199	\$ 10,210,597	-1.90%	4.42%

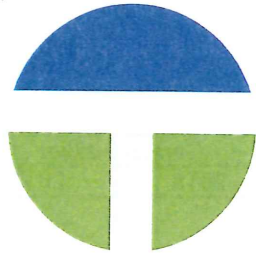
SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

2018 EXPENSE PROJECTION

Expense Category	% CHANGE - 2018 BUDGET VS. Actual					
	2018 BUDGET	2017 BUDGET	2016 AUDITED	2017 BUDGET	2016 AUDITED	
Tangible Property / Fixed Assets	\$ -	\$ -	\$ -	N/A	N/A	
Salaries & Wages	\$ 5,801,603	\$ 5,806,671	\$ 5,214,135	-0.09%	11.27%	
Fringe Benefits	\$ 2,204,108	\$ 2,438,603	\$ 2,326,561	-9.62%	-5.26%	
Services	\$ 479,200	\$ 502,661	\$ 808,875	-4.67%	-40.76%	
Materials & Supplies	\$ 1,015,465	\$ 1,029,736	\$ 1,278,078	-1.39%	-20.55%	
Utilities	\$ 299,223	\$ 278,857	\$ 232,241	7.30%	28.84%	
Insurance	\$ 230,477	\$ 230,477	\$ 215,543	0.00%	6.93%	
Other Taxes	\$ -	\$ -		N/A	N/A	
Miscellaneous	\$ 132,192	\$ 132,192	\$ 157,975	0.00%	-16.32%	
SUB-TOTAL	\$ 10,162,269	\$10,419,199	\$ 10,233,408	-2.47%	-0.70%	
Transfer - Capital Improvements / Reserve for Liability	\$ 500,000	\$ 450,000	\$ -	11.11%	100.00%	
TOTAL	\$ 10,662,269	\$10,869,199	\$ 10,233,408	-1.90%	4.19%	

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Budgeted Appropriations

Category	Operating Budget		Capital Budget		Total 2018 Appropriations
	2018	2017	2018	2017	
Personnel Services	8,005,711	8,245,274			8,005,711
Other Services and Charges	1,641,092	1,594,187			1,641,092
Supplies	1,015,466	1,029,736			1,015,466
Capital Outlays	239,620	181,310	1,087,860	1,043,138	1,327,480
Total Appropriations	\$ 10,901,888	\$ 11,050,507	\$ 1,087,860	\$ 1,043,138	\$ 11,989,748



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2018 OPERATING BUDGET ASSUMPTIONS

REVENUES:

Federal, State, and Local: In the past, Transpo has been successful in securing adequate funding through Federal Capital Grants for major capital projects; however, funding opportunities are decreasing. Transpo is able to continue to avail ourselves of annual federal capital formula grant funds toward preventative maintenance and operating assistance, such funds available to the operations budget. In 2018, the State of Indiana has fixed PMTF rate for the next two years and has made it a line item in the State's Budget. We based the 2018 PMTF revenue on discussion with Indiana Department of Transportation. This caused our budget figure to be increase by \$101,475 from the 2017 budget. Property Tax revenue was budgeted at \$51,386 increase from the prior year.

Ridership and Revenue: Transpo has entered into new contracts with Notre Dame and St. Mary's College's in 2017 that have provided increases in farebox revenues. Transpo is also looking into other options to increase future revenues, for example the DTSB Game Day express that will begin this fall. Transpo Access has realized an increase in ridership since 2008 and is expected to continue this trend in future years

EXPENSES:

Employee Wages and Benefits: For 2018, Transpo budgeted, a slight decrease in wages for employees. Employee benefits reflect an estimated decrease of 10.63% from 2017 budget. This decrease is mainly due to changing health insurance carriers in 2017.

Vehicular and Operating: Vehicular and other insurances costs will be maintained at the 2017 budget. Diesel fuel has been budgeted at an average of \$2.00 per gallon and gasoline at \$2.00 per gallon. In 2017, Transpo received an additional three CNG fueled vehicles, increasing our total CNG vehicles to twenty-two. Transpo budgeted a decrease, in its overall fuel cost, of \$86,605. This decrease in fuel expenses should continue to as more of fixed route vehicles are converted to CNG.

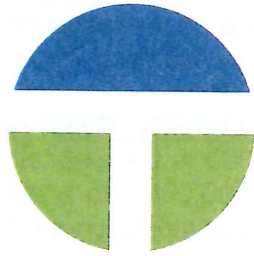
Utilities: Utility costs were budgeted with an increased from the 2017 forecasted levels.

Marketing: Marketing contracts, services, and advertising placement accounts have not been changed from 2017 budgeted figures.

Training: The 2018 budgeted amounts increased from 2017 budgeted provisions. Transpo plans to use federal grants to offset most of the cost associated with training. The current budget provides continued opportunities for all positions.

Transfer – Capital Improvement Fund/Restricted Liability Reserve: The 2018 budget provides the opportunity to transfer up to \$500,000 to the Capital Improvements fund for future capital expenditures or deposit up to \$500,000 into a restricted liability reserve account, to be used pay off the second year installments on sixteen fixed route vehicles.

- **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.**



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2018 OPERATING BUDGET POLICY STATEMENTS

FINANCIAL CAPACITY:

1. Management will continue to search for investment, grant and funding opportunities so as 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, even-handedness, 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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2018 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Salaries & Wages Summary

2016 ACTUAL	<u>\$ 5,036,056</u>	2018 BUDGET REQUEST	<u>\$ 5,801,603</u>
2017 MONTHLY AVERAGE	<u>\$ 444,901</u>	2017 APPROVED BUDGET	<u>\$ 5,806,671</u>
2017 EST EXPENSE	<u>\$ 5,338,806</u>	BUDGET CHANGE	<u>\$ (5,068)</u>

<u>Account Title</u>	<u>2017</u>	<u>2018</u>
Operators	\$3,548,243	\$ 3,486,899
Access Drivers & Clerk	460,277	472,854
Operations Administration	457,724	525,115
Revenue-Vehicle Maintenance	722,279	686,318
Maintenance Administration	123,792	127,216
Non-Revenue-Vehicle Maintenance	73,064	74,136
General Administration	<u>421,292</u>	<u>429,065</u>
Total	<u><u>\$5,806,671</u></u>	<u><u>\$ 5,801,603</u></u>

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2018 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Fringe Benefits Summary

2016 ACTUAL	<u>\$ 1,779,272</u>	2018 BUDGET REQUEST	<u>\$ 2,204,108</u>
2017 MONTHLY AVERAGE	<u>\$ 163,404</u>	2017 APPROVED BUDGET	<u>\$ 2,438,604</u>
2017 EST EXPENSE	<u>\$ 1,960,847</u>	BUDGET CHANGE	<u>\$ (234,496)</u>

Account Title	2017	2018
FICA	\$ 444,211	\$ 443,822
Pension plan	248,694	257,216
Medical Insurance	1,492,087	1,245,731
Dental Insurance	53,878	54,464
Life Insurance	27,221	28,000
Short-Term Disability	20,664	21,420
Unemployment Insurance	10,925	11,246
Worker's Compensation	89,805	89,654
Uniforms	47,119	48,555
Tool Allowance	4,000	4,000
Total	<u>\$2,438,604</u>	<u>\$ 2,204,108</u>

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2018 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Services Summary

2016 ACTUAL	\$	<u>984,072</u>	2018 BUDGET REQUEST	\$	<u>479,200</u>
2017 MONTHLY AVERAGE	\$	<u>45,751</u>	2017 APPROVED BUDGET	\$	<u>502,661</u>
2017 EST EXPENSE	\$	<u>551,509</u>	BUDGET CHANGE	\$	<u>(23,461)</u>

Account Title		2017		2018
Professional & Technical	\$	240,939		\$ 205,939
Board Travel		10,000		10,000
Temporary Help		2,500		2,500
Contract Services	Operations	12,050		12,050
Contract Services	Maintenance	118,582		130,121
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	\$	502,661
				\$ 479,200

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2018 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Materials & Supplies Summary

2016 ACTUAL	\$ 1,479,781	2018 BUDGET REQUEST	\$ 1,015,465
2017 MONTHLY AVERAGE	\$ 52,285	2017 APPROVED BUDGET	\$ 813,732
2017 EST EXPENSE	\$ 627,425	BUDGET CHANGE	\$ 201,733

Account Title	2017	2018
Fuel & Lubricants	\$ 511,118	\$ 640,517
Fuel & Lubricants	11,954	10,981
Tires & Tubes	2,560	2,560
Materials & Supplies	25,000	25,000
Materials & Supplies	210,000	285,307
Materials & Supplies	35,600	33,600
Other Materials & Supplies	4,500	4,500
Other Materials & Supplies	2,600	2,600
Other Materials & Supplies	10,400	10,400
Total	\$ 813,732	\$ 1,015,465

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2018 BUDGET SUBMISSION

DEPARTMENT: Administration & Maintenance

ACCOUNT TITLE: Utilities

ACCOUNT NUMBER: 505-0x50-00 505-0x2x-00

2016 ACTUAL	<u>\$ 209,394</u>	2018 BUDGET REQUEST	<u>\$ 299,223</u>
2017 MONTHLY AVERAGE	<u>\$ 21,906</u>	2017 APPROVED BUDGET	<u>\$ 278,857</u>
2017 EST EXPENSE	<u>\$ 262,868</u>	BUDGET CHANGE	<u>\$ 20,366</u>

<u>Account Title</u>	<u>2017</u>	<u>2018</u>
Electricity	\$ 98,014	\$ 98,014
Electricity-CNG	\$ 45,941	\$ 65,307
Water & Sewage	\$ 16,654	\$ 16,654
Trash Collection	\$ 5,000	\$ 6,000
Telephone	\$ 34,000	\$ 34,000
Natural Gas	\$ 79,248	\$ 79,248
Totals	<u>\$ 278,857</u>	<u>\$ 299,223</u>

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2018 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Insurance Summary

2016 ACTUAL	<u>\$ 190,051</u>	2018 BUDGET REQUEST	<u>\$ 230,477</u>
2017 MONTHLY AVERAGE	<u>\$ 17,592</u>	2017 APPROVED BUDGET	<u>\$ 230,477</u>
2017 EST EXPENSE	<u>\$ 211,108</u>	BUDGET CHANGE	<u>\$ -</u>

Insurance - Liability & Physical Damage	\$ 224,192
Other Corporate Insurance	6,285
	<hr/>
Total	<u><u>\$ 230,477</u></u>

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2018 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Miscellaneous Summary

2016 ACTUAL	<u>\$ 151,083</u>	2018 BUDGET REQUEST	<u>\$ 132,192</u>
2017 MONTHLY AVERAGE	<u>\$ 15,522</u>	2017 APPROVED BUDGET	<u>\$ 132,192</u>
2017 EST EXPENSE	<u>\$ 188,537</u>	BUDGET CHANGE	<u>\$ -</u>

<u>Account Title</u>	<u>2017</u>	<u>2018</u>
Dues & Subscriptions	\$ 25,192	\$ 25,192
Travel & Meetings	30,000	30,000
Community Services	15,000	15,000
Promotion	6,000	6,000
Advertising Placements	45,500	45,500
Interest Expense on Tax Warrants/Loans	10,500	10,500
Total	<u>\$ 132,192</u>	<u>\$ 132,192</u>

2018 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Transfer - Capital Improvement Fund/Reserve for Liability

ACCOUNT NUMBER: 301-0101-00

2016 ACTUAL	<u>\$ -</u>	2018 BUDGET REQUEST	<u>\$ 500,000</u>
2017 MONTHLY AVERAGE	<u>\$ 41,667</u>	2017 APPROVED BUDGET	<u>\$ 450,000</u>
2017 EST EXPENSE	<u>\$ 500,000</u>	BUDGET CHANGE	<u>\$ 50,000</u>

This account is used for the transfer to the Capital Improvement Fund for the "Local Share" or to fund a reserve for future liabilities. The capital expenditures are detailed in the monthly Capital Improvement resolutions.

Loan Payment	<u>\$ 500,000</u>
Total	<u><u>\$ 500,000</u></u>

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2018 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Capital Fund Requirements

ACCOUNT NUMBER: 301-0101-00

2016 ACTUAL	<u>\$ 6,121,744</u>	2018 BUDGET REQUEST	<u>\$ 1,087,860</u>
2017 MONTHLY AVERAGE	<u>\$ 173,785</u>	2017 APPROVED BUDGET	<u>\$ 1,043,138</u>
2017 EST EXPENSE	<u>\$ 2,085,425</u>	BUDGET CHANGE	<u>\$ 44,722</u>

<u>Grant Number</u>	<u>\$\$\$ Available</u>	<u>FTA/State Funded</u>	<u>Total Required</u>
Grant- IN-34-019	\$ 56,391	\$ 45,113	\$ 11,278
Grant- IN-95-0048	\$ 185,097	\$ 148,078	\$ 37,019
Grant- IN-04-0053	\$ 1,600,000	\$ 1,290,200	\$ 309,800
Grant IN-16-21	\$ 26,000	\$ 26,000	
Grant-IN-90-X650	\$ 100,000	\$ 80,000	\$ 20,000
Grant-IN-90-X685	\$ 200,000	\$ 160,000	\$ 400,000
Grant- IN- 90-X694	\$ 100,000	\$ 80,000	\$ 20,000
2016-2017 FTA GRANT	\$ 2,000,000	\$ 1,600,000	\$ 400,000
Total	<u>\$ 4,267,488</u>	<u>\$ 3,429,390</u>	<u>\$ 1,198,098</u>

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2018 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Passenger Fares Summary

ACCOUNT NUMBER: 413-0100-00

2016 ACTUAL:	<u>\$ 1,408,767</u>	2018 BUDGET REQUEST	<u>\$ 1,642,051</u>
2017 AVERAGE:	<u>\$ 117,420</u>	2017 APPROVED BUDGET	<u>\$ 1,504,253</u>
2017 ESTIMATED:	<u>\$ 1,409,034</u>	BUDGET CHANGE:	<u>\$ 137,798</u>

Account Title	2017	2018
Passenger Revenue	\$ 802,698	\$ 778,419
Access Passenger Revenue	51,187	63,013
Access Punch Card Revenue	73,321	104,770
Passport Revenue	166,075	189,840
Student Pass Revenue	41,130	47,320
Tripper Revenue	9,623	9,676
Two Week Pass	90,048	133,254
One Day Pass	263,721	311,860
Student Summer Pass	6,450	3,900
	<u>\$ 1,504,252</u>	<u>\$ 1,642,051</u>