
SOUTH BEND PUBLIC TRANSPORTATION CORPORATION



2014 FISCAL OPERATING & CAPITAL BUDGET

January 1, 2014 through December 31, 2014

Prepared By
South Bend Public Transportation
Accounting Staff

SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

SOUTH BEND, INDIANA

2014 FISCAL YEAR BUDGET REQUEST

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**BUDGET ESTIMATE FOR 2014
PROJECTIONS / ASSUMPTIONS**

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SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

2014 REVENUE PROJECTION

| SOURCE | % CHANGE - 2012 BUDGET VS. | | | | |
|--------------------------------|----------------------------|---------------------|---------------------|----------------|----------------|
| | 2014 BUDGET | 2013 BUDGET | 2012 ACTUAL | 2013 BUDGET | 2012 ACTUAL |
| FAREBOX | \$ 1,450,230 | \$ 1,401,113 | \$ 1,419,226 | 3.51% | 2.18% |
| CHARTER | \$ - | \$ - | \$ - | 0.00% | 0.00% |
| ADVERTISING | \$ 72,000 | \$ 54,000 | \$ 54,300 | 33.33% | 32.60% |
| LEASE REVENUE | \$ 174,636 | \$ 174,636 | \$ 186,736 | 0.00% | -6.48% |
| CONCESSIONS AND MISCELLANEOUS | \$ 51,800 | \$ 27,852 | \$ 29,500 | 85.98% | 75.59% |
| INTEREST INCOME | \$ 12,910 | \$ 12,845 | \$ 3,614 | 0.51% | 257.22% |
| PROPERTY TAX | \$ 2,775,000 | \$ 2,707,200 | \$ 2,842,622 | 2.50% | -2.38% |
| LICENSE EXCISE TAX | \$ 200,000 | \$ 200,000 | \$ 198,670 | 0.00% | 0.67% |
| FINANCIAL INSTITUTION TAX | \$ - | \$ - | \$ - | 0.00% | 0.00% |
| OPTION INCOME TAX | \$ 396,000 | \$ 372,000 | \$ 305,620 | 6.45% | 29.57% |
| STATE ASSISTANCE | \$ 2,100,000 | \$ 2,400,000 | \$ 2,883,983 | -12.50% | -27.18% |
| FEDERAL PREVENTIVE MAINTENANCE | \$ 1,770,000 | \$ 1,770,000 | \$ 1,420,709 | 0.00% | 24.59% |
| FEDERAL ASSISTANCE | \$ 396,000 | \$ - | \$ 90,913 | 0.00% | 0.00% |
| FEDERAL EDUCATION & TRAINING | \$ - | \$ - | \$ - | NA | NA |
| FEDERAL ALTERNATIVE FUEL | \$ - | \$ - | \$ - | N/A | N/A |
| LEASE PAYMENT FROM CITY | \$ 400,000 | \$ 400,000 | \$ 400,000 | 0.00% | 0.00% |
| TOTAL | \$ 9,798,576 | \$ 9,519,646 | \$ 9,835,893 | 2.93% | -0.38% |

SOUTH BEND PUBLIC TRANSPORTATION CORPORATION

2014 EXPENSE PROJECTION

| Expense Category | 2014 BUDGET | 2013 BUDGET | 2012 ACTUAL | 2013 BUDGET | 2012 ACTUAL |
|---|---------------------|---------------------|---------------------|----------------|----------------|
| Tangible Property / Fixed Assets | \$ - | \$ - | \$ - | N/A | N/A |
| Salaries & Wages | \$ 5,063,271 | \$ 4,910,940 | \$ 4,941,995 | 3.10% | 2.45% |
| Fringe Benefits | \$ 1,992,169 | \$ 1,928,616 | \$ 1,824,723 | 3.30% | 9.18% |
| Services | \$ 740,018 | \$ 824,826 | \$ 1,354,055 | -10.28% | -45.35% |
| Materials & Supplies | \$ 1,411,863 | \$ 1,240,471 | \$ 1,754,410 | 13.82% | -19.52% |
| Utilities | \$ 209,267 | \$ 209,267 | \$ 174,807 | 0.00% | 19.71% |
| Insurance | \$ 235,477 | \$ 246,977 | \$ 207,978 | -4.66% | 13.22% |
| Other Taxes | \$ - | \$ - | \$ - | N/A | N/A |
| Miscellaneous | \$ 105,335 | \$ 84,070 | \$ 67,991 | 25.29% | 54.92% |
| SUB-TOTAL | \$ 9,757,400 | \$ 9,445,168 | \$10,325,959 | 3.31% | -5.51% |
| Transfer - Capital Improvements / Reserve for Liability | \$ 41,176 | \$ 74,480 | \$ - | -44.72% | 100.00% |
| TOTAL | \$ 9,798,576 | \$ 9,519,646 | \$10,325,959 | 2.93% | -5.11% |

TRANSPO
Budgeted Appropriations

| Category | Operating Budget | | Capital Budget | | Total 2013 Appropriations |
|-----------------------------|----------------------|---------------------|---------------------|-------------------|------------------------------|
| | 2014 | 2013 | 2014 | 2013 | |
| Personnel Services | 7,055,439 | 6,839,556 | | | 7,055,439 |
| Other Services and Charges | 1,331,273 | 1,469,620 | | | 1,331,273 |
| Supplies | 1,411,863 | 1,240,471 | | | 1,411,863 |
| Capital Outlays | 354,000 | 390,000 | 1,983,550 | 795,904 | 2,337,550 |
| Total Appropriations | \$ 10,152,576 | \$ 9,939,647 | \$ 1,983,550 | \$ 795,904 | \$ 12,136,126 |



2014 OPERATING BUDGET ASSUMPTIONS

REVENUES:

Federal, State, and Local: Given past and continued success in securing adequate capital funds through congressionally designated funding for major capital projects, we are able to continue to avail ourselves of annual federal capital formula grant funds toward preventative maintenance and education/training, making such funds available to the operations budget. In 2014, 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 2014 PMTF revenue on 2013 actual approved budget. This caused our budget figure to be decreased 13% from 2013 budget. Property Tax revenue was budgeted at \$67,800 more than prior year.

Ridership and Leases: Farebox revenues from regular services include a 3.51% increase from our 2013 forecasted levels. The revenue increase is due the service agreement changes with local universities and new summer pass. TRANSPO ACCESS has realized an increase in ridership since 2008 and is expected to continue this trend in future years. Lease revenues reflect current tenant agreements and renewals of existing contracts.

EXPENSES:

Employee Wages and Benefits: TRANSPO will see an increase in wages for all employees in 2014. due to the finalization of a three year collective bargaining agreement in 2012. Employee benefits reflect an estimated 3.30% increase over 2013. This increase is mainly due to an estimated increase of five percent in health insurance premiums. Other benefits reflect current bargaining agreement terms and contingencies for future premiums given their historical trends.

Vehicular and Operating: Vehicular and commercial insurance costs increased from the 2013 budget. Diesel fuel has been budgeted at an average of \$3.07 per gallon and gasoline at \$3.30 per gallon. Both of these markets have been extremely volatile and it is projected that future world developments could cause costs to increase.

Utilities: Utility costs have been budgeted at no increase form the 2013 forecasted levels, due to TRANSPO cost savings experienced in the new Administration, Maintenance and Operations facility.

Marketing: Marketing contracts, services, and advertising placement accounts have not been changed from 2013 budgeted figures.

Training: The 2014 budgeted amounts increased from 2013 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 2014 budget provides the opportunity to transfer up to \$41,176 to the Capital Improvements fund for future capital expenditures or deposit up to \$41,176 into a restricted liability reserve account, to be used for general liability purposes.

- **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.**



2014 OPERATING BUDGET POLICY STATEMENTS

FINANCIAL CAPACITY:

1. The proposed budget does not reflect any fare changes. A fare analysis may be conducted and recommendations will follow, based upon the results of the analysis.
2. Management will continue to search for investment, grant and funding opportunities so as to maximize revenues.
3. Management will assure cash handling practices to safeguard funds in its protection and toward timely collection of funds owed.

SERVICE POLICY:

4. A review of current services levels will be conducted and recommendations will follow based upon the results of the analysis.
5. Management will continue to work within the current FTA charter regulations and existing agreements with private charter providers in order to provide charter services.
6. ACCESS service will be provided in accordance with all applicable FTA guidelines.

MANAGEMENT:

7. 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.
8. Assumes continuation of team development, employee recognition, and continuation of increased opportunities for employee training.
9. Assumes continued pursuit of programs of wellness and accident prevention in an effort to stem, to whatever extent possible, rising insurance costs.

TRANSPO

2014 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Salaries & Wages Summary

| | | | |
|-------------|---------------------|----------------------|---------------------|
| 2012 ACTUAL | <u>\$ 4,933,658</u> | 2014 BUDGET REQUEST | <u>\$ 5,063,271</u> |
| | | 2013 APPROVED BUDGET | <u>\$ 4,910,940</u> |
| | | BUDGET CHANGE | <u>\$ 152,331</u> |

| <u>Account Title</u> | <u>2013</u> | <u>2014</u> |
|---------------------------------|--------------------|---------------------|
| Operators | \$3,081,293 | \$ 3,168,660 |
| Access Drivers & Clerk | 344,042 | 352,799 |
| Operations Administration | 308,637 | 364,312 |
| Revenue-Vehicle Maintenance | 660,670 | 637,598 |
| Maintenance Administration | 124,945 | 131,288 |
| Non-Revenue-Vehicle Maintenance | 102,036 | 71,006 |
| General Administration | <u>289,317</u> | <u>337,607</u> |
| Total | <u>\$4,910,940</u> | <u>\$ 5,063,271</u> |

TRANSPPO

2014 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Fringe Benefits Summary

| | | | |
|-------------|--------------------|----------------------|---------------------|
| 2012 ACTUAL | <u>\$1,805,942</u> | 2014 BUDGET REQUEST | <u>\$ 1,992,169</u> |
| | | 2013 APPROVED BUDGET | <u>\$ 1,928,616</u> |
| | | BUDGET CHANGE | <u>\$ 63,553</u> |

| <u>Account Title</u> | <u>2013</u> | <u>2014</u> |
|------------------------|-----------------------------|-----------------------------|
| FICA | \$ 375,687 | \$ 387,341 |
| Pension plan | 211,694 | 214,535 |
| Medical Insurance | 1,101,551 | 1,155,878 |
| Dental Insurance | 44,154 | 47,775 |
| Life Insurance | 26,730 | 21,478 |
| Short-Term Disability | 18,412 | 17,968 |
| Unemployment Insurance | 12,423 | 11,032 |
| Worker's Compensation | 88,198 | 85,700 |
| Uniforms | 46,267 | 46,462 |
| Tool Allowance | 3,500 | 4,000 |
| | <u> </u> | <u> </u> |
| Total | <u>\$1,928,616</u> | <u>\$ 1,992,169</u> |

TRANSPO

2014 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Services Summary

| | | | |
|-------------|--------------------|----------------------|-------------------|
| 2012 ACTUAL | <u>\$1,218,960</u> | 2014 BUDGET REQUEST | <u>\$ 740,018</u> |
| | | 2013 APPROVED BUDGET | <u>\$ 710,656</u> |
| | | BUDGET CHANGE | <u>\$ 29,362</u> |

| <u>Account Title</u> | <u>2013</u> | <u>2014</u> |
|---------------------------------------|-------------------|-------------------|
| Management Service Fees | \$ 253,407 | \$ 255,469 |
| Advertising Fees | 7,500 | 7,500 |
| Professional & Technical | 254,039 | 279,039 |
| Tuition & Registration - Employees | - | 2,500 |
| Tuition & Registration - Board | - | - |
| Temporary Help | 2,500 | 2,500 |
| Contract Services Operations | 19,150 | 18,950 |
| Contract Services Maintenance | 100,000 | 100,000 |
| Contract Services Administration | 13,260 | 13,260 |
| Security Services | 55,800 | 55,800 |
| Physical Damage Repairs | 35,000 | 35,000 |
| Recoveries of Physical Damage Repairs | (30,000) | (30,000) |
| | <hr/> | <hr/> |
| Total | <u>\$ 710,656</u> | <u>\$ 740,018</u> |

TRANSPO

2014 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Materials & Supplies Summary

| | | | |
|-------------|--------------------|----------------------|---------------------|
| 2012 ACTUAL | <u>\$1,589,038</u> | 2014 BUDGET REQUEST | <u>\$ 1,411,863</u> |
| | | 2013 APPROVED BUDGET | <u>\$ 1,251,192</u> |
| | | BUDGET CHANGE | <u>\$ 160,671</u> |

| Account Title | | 2013 | 2014 |
|----------------------------|------------------------|---------------------|---------------------|
| Fuel & Lubricants | Operations | \$ 960,239 | \$ 1,103,363 |
| Fuel & Lubricants | Maintenance | 16,353 | 17,840 |
| Tires & Tubes | Operations | - | - |
| Tires & Tubes | Maintenance | - | 2,560 |
| Materials & Supplies | Operations | - | 25,000 |
| Materials & Supplies | Maintenance | 210,000 | 210,000 |
| Materials & Supplies | Marketing | 37,600 | 35,600 |
| Other Materials & Supplies | Operations | 6,000 | 4,500 |
| Other Materials & Supplies | Maintenance | 3,600 | 2,600 |
| Other Materials & Supplies | General Administration | 17,400 | 10,400 |
| | Total | <u>\$ 1,251,192</u> | <u>\$ 1,411,863</u> |

TRANSPO

2014 BUDGET SUBMISSION

DEPARTMENT: Administration & Maintenance

ACCOUNT TITLE: Utilities

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

| | | | |
|-------------|-------------------|----------------------|-------------------|
| 2012 ACTUAL | <u>\$ 174,807</u> | 2014 BUDGET REQUEST | <u>\$ 209,267</u> |
| | | 2013 APPROVED BUDGET | <u>\$ 209,267</u> |
| | | BUDGET CHANGE | <u>\$ -</u> |

| <u>Account Title</u> | <u>2013</u> | <u>2014</u> |
|----------------------|-------------------|-------------------|
| Electricity | \$ 98,014 | \$ 98,014 |
| Water & Sewage | \$ 16,654 | \$ 16,654 |
| Trash Collection | \$ 5,000 | \$ 5,000 |
| Telephone | \$ 10,351 | \$ 10,351 |
| Natural Gas | \$ 79,248 | \$ 79,248 |
| Totals | <u>\$ 209,267</u> | <u>\$ 209,267</u> |

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2013 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Insurance Summary

| | | | |
|-------------|-------------------|----------------------|--------------------|
| 2012 ACTUAL | <u>\$ 215,208</u> | 2014 BUDGET REQUEST | <u>\$ 235,477</u> |
| | | 2013 APPROVED BUDGET | <u>\$ 246,971</u> |
| | | BUDGET CHANGE | <u>\$ (11,494)</u> |

| | | |
|---|-------|-------------------|
| Insurance - Liability & Physical Damage | | \$ 229,192 |
| Other Corporate Insurance | | 6,285 |
| | Total | <u>\$ 235,477</u> |

2014 BUDGET SUBMISSION

DEPARTMENT: All
 ACCOUNT TITLE: Miscellaneous Summary

| | | | |
|-------------|------------------|----------------------|-------------------|
| 2012 ACTUAL | <u>\$ 52,118</u> | 2014 BUDGET REQUEST | <u>\$ 105,335</u> |
| | | 2013 APPROVED BUDGET | <u>\$ 84,070</u> |
| | | BUDGET CHANGE | <u>\$ 21,265</u> |

| <u>Account Title</u> | <u>2013</u> | <u>2014</u> |
|----------------------------------|-------------------|-------------------|
| Dues & Subscriptions | \$ 28,070 | \$ 29,835 |
| Travel & Meetings | 2,000 | 11,500 |
| Community Services | 15,000 | 15,000 |
| Promotion | 1,000 | 1,000 |
| Advertising Placements | 38,000 | 38,000 |
| Interest Expense on Tax Warrants | - | 10,000 |
| Miscellaneous | - | - |
| | <u> </u> | <u> </u> |
| Total | <u>\$ 84,070</u> | <u>\$ 105,335</u> |

TRANSPO

2014 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Passenger Fares Summary

ACCOUNT NUMBER: 413-0100-00

| | | | |
|--------------|---------------------|---------------------|---------------------|
| 2012 ACTUAL: | <u>\$ 1,419,226</u> | 2014 BUDGET REQUEST | <u>\$ 1,450,230</u> |
| | | 2013 BUDGET REQUEST | <u>\$ 1,400,953</u> |
| | | BUDGET CHANGE: | <u>\$ 49,277</u> |

| <u>Account Title</u> | <u>2012</u> | <u>2013</u> |
|---------------------------|---------------------|---------------------|
| Passenger Revenue | 938,141 | 980,146 |
| Access Passenger Revenue | 35,366 | 36,526 |
| Access Punch Card Revenue | 61,967 | 63,190 |
| Passport Revenue | 185,675 | 183,890 |
| Student Pass Revenue | 28,320 | 31,590 |
| Tripper Revenue | 9,623 | 9,623 |
| Two Ride Pass Revenue | 65,334 | 62,628 |
| Two Week Pass | 76,527 | 82,638 |
| | <u>\$ 1,400,953</u> | <u>\$ 1,450,230</u> |

TRANSPO

2013 BUDGET SUBMISSION

DEPARTMENT: All

ACCOUNT TITLE: Capital Fund Requirements

ACCOUNT NUMBER: 301-0101-00

| | | | |
|-------------|-------------------|----------------------|---------------------|
| 2012 ACTUAL | <u>\$ 413,354</u> | 2014 BUDGET REQUEST | <u>\$ 1,983,550</u> |
| | | 2013 APPROVED BUDGET | <u>\$ 795,904</u> |
| | | BUDGET CHANGE | <u>\$ 1,187,646</u> |

| <u>Grant Number</u> | <u>\$\$\$ Available</u> | <u>FTA/State Funded</u> | <u>Total Required</u> |
|----------------------|----------------------------|----------------------------|----------------------------|
| Grant-IN-90-X591 | \$ 40,000.00 | \$ 32,000 | \$ 8,000 |
| Grant IN-90-X621 | \$ 315,000 | \$ 252,000 | \$ 63,000 |
| State of Good Repair | \$ 300,000 | \$ 240,000 | \$ 60,000 |
| Bus Livability Grant | \$ 1,612,750 | \$ 1,290,200 | \$ 322,550 |
| Grant-IN-04-0044 | \$ 4,150,000 | \$ 3,320,000 | \$ 830,000 |
| Grant IN-90-X628 | \$ 1,000,000 | \$ 800,000 | \$ 200,000 |
| Grant-IN-90-X650 | \$ 2,500,000 | \$ 2,000,000 | \$ 500,000 |
| | | | |
| Total | <u><u>\$ 9,917,750</u></u> | <u><u>\$ 7,934,200</u></u> | <u><u>\$ 1,983,550</u></u> |

