



# Bloomington Public Transportation Corporation

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To: Bloomington Common Council Members

From: Lewis May, General Manager

Date: August 20, 2008

Re: Revised Budget

In my July budget presentation, I mentioned that we were at that time in the midst of discussions with Indiana University relative to the amount of revenue that would be forthcoming from IU for the services we provide them. In our discussions with IU we asked for a revenue increase of about 15 percent to maintain the level of service provided by us to the campus and to compensate Bloomington Public Transportation Corporation (BPTC) for several things including the following:

- To pass on a fare increase to IU students given that we had implemented a general public fare increase in January 2008.
- To provide additional revenues to BPTC to help compensate for the growth in IU student ridership which was about 10 percent in 2007 and about 12 percent through the first half of 2008.
- To provide additional revenue to BPTC to help compensate for the significant increase in fuel costs experienced in 2008 and projected into 2009. We've budgeted an 85 percent increase for fuel/oil costs from 2008 to 2009.

The University has also experienced significant cost increases primarily due to fuel costs. As a result, they are planning a 19 percent service reduction effective September 1, 2008 in the services as provided by IU Campus Bus. Given the University was unable to provide the revenues needed to compensate us for a student fare increase, increased student ridership, and increased operating costs primarily due to fuel, we had to look at reducing service levels that we provide on campus-oriented routes.

With the goal of maintaining service to the campus during core days/hours during the spring/fall semesters, Monday through Thursday, we identified several service reductions that will be implemented on September 1, 2008 with the start of the IU fall semester. These service reductions would continue through the 2009 fiscal year budget. The planned service reductions are as follows:

- Lengthen the frequency on Route 1 South to every 60 minutes during the period of 9 a.m. to 1 p.m. on weekdays. As such 4 round trips would be eliminated daily.
- End Route 6 service at 11:30 p.m. on weeknights during spring/fall semesters (currently ends at 12:30 a.m. on weeknights during the spring/fall semesters).
- End Route 6 Sunday service year round at 7:30 p.m. (currently operates until 9:30 p.m.).
- Reduce the number of buses on the C-9 route on Fridays from 5 to 4 during the spring and fall semester so as to eliminate 16 of 80 round trips. In effect, this lengthens the frequency from every 5-15 minutes to about every 10-20 minutes depending on the time of day.
- End C-9 route service at 10:45 p.m. on weeknights during spring/fall semesters (currently ends at 12:05 a.m. on weeknights during the spring/fall semesters).
- End C-9 route service at 10:30 p.m. on Saturdays/Sundays during the spring/fall semesters (currently ends at 11:10 p.m. during the spring/fall semesters).
- End Route 6 weekday service during the summer and other break periods at 7:30 p.m. (currently ends at 9:30 p.m.).
- End C-9 route weekday service at 10:30 p.m. during the summer and other break periods (currently ends at 11:10 p.m.).

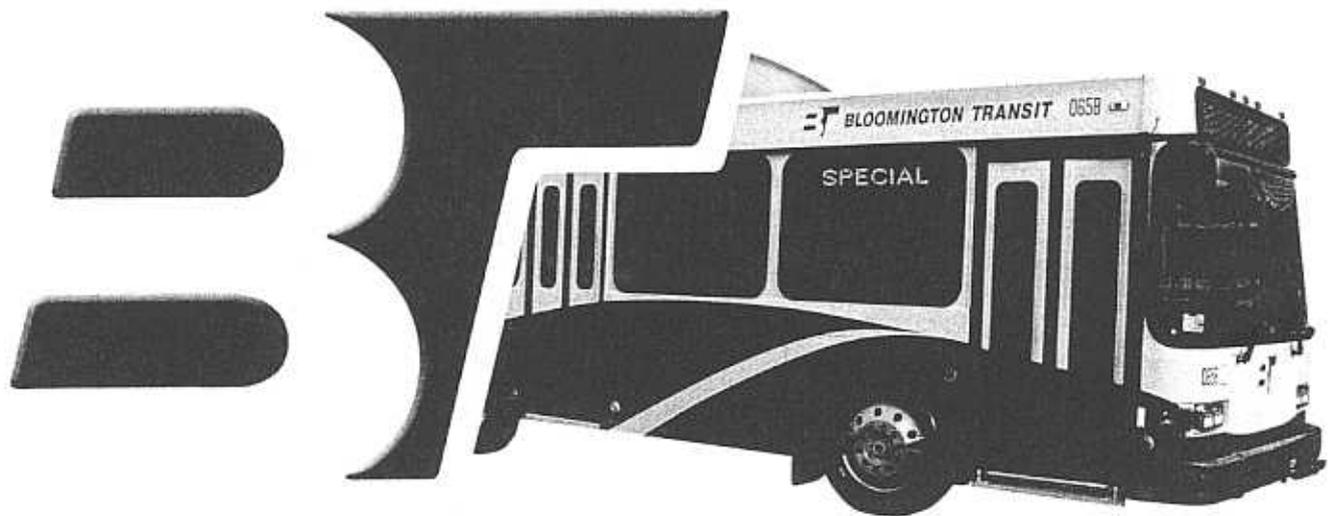
We have revised the proposed 2009 budget to reflect the above-noted service changes. A summary of the revised expenses by class for the 2009 budget is shown in the following table:

<b>Budget Class</b>	<b>Original 2009 Budget</b>	<b>Revised 2009 Budget</b>	<b>Difference</b>
Class I - Personnel	\$3,641,904	\$3,577,106	(\$64,798)
Class II – Supplies	\$1,730,000	\$1,694,608	(\$35,392)
Class III – Services	\$1,332,345	\$1,331,345	(\$1,000)
Subtotal	\$6,704,249	\$6,603,059	(\$101,190)
Class IV – Capital	\$3,174,905	\$3,172,905	(\$2,000)
Total	\$9,879,154	\$9,775,964	(\$103,190)

A copy of our revised 2009 budget is attached. I welcome your comments and questions at the September budget meetings.

# 2009 Budget

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# Bloomington Transit

Bloomington Public Transportation Corporation  
130 West Grimes Lane  
Bloomington, IN 47403

2009 BUDGET SUMMARY

## OPERATING EXPENSES

### Budget Class I

	2009 <u>Proposed</u>	<u>2008</u>	<u>Percent Change</u>
Salaries (Operators)	\$ 1,847,064	\$ 1,703,553	8.42
Full-time and part-time driver salaries			
Salaries (Other Operating)	\$ 213,865	\$ 190,439	12.30
Operations manager, supervisors and dispatcher salaries			
Salaries (Maintenance)	\$ 506,363	\$ 502,211	0.83
Maintenance manager, mechanics, service attendants, and parts specialist salaries			
Salaries (Other)	\$ 269,824	\$ 270,560	(0.27)
Administrative staff and BT Access scheduling staff			
FICA	\$ 217,039	\$ 204,007	6.39
PERF	\$ 172,150	\$ 128,000	34.49
Health/Dental/Disability/Life Insurance	\$ 320,000	\$ 282,000	13.48
Unemployment	\$ 10,500	\$ 10,500	0.00
Employee Uniforms	\$ 16,700	\$ 16,700	0.00
Tool Allowance	<u>\$ 3,600</u>	<u>\$ 3,600</u>	0.00
<b>Subtotal Budget Class I</b>	<b><u>\$ 3,577,106</u></b>	<b><u>\$ 3,311,571</u></b>	<b>8.02</b>

**Budget Class II**

	<u>2009 Proposed</u>	<u>2008</u>	<u>Percent Change</u>
Office Supplies	\$ 9,000	\$ 8,500	5.88
Institutional	\$ 20,000	\$ 26,100	(23.37)
Fuel/Oil	\$1,296,108	\$ 702,000	84.63
Parts	\$ 321,000	\$ 307,600	4.36
Other Supplies	<u>\$ 48,500</u>	<u>\$ 44,000</u>	10.23
Subtotal Budget Class II	<u>\$1,694,608</u>	<u>\$1,088,200</u>	55.73

**Budget Class III**

	<u>2009 Proposed</u>	<u>2008</u>	<u>Percent Change</u>
Professional Services	\$ 781,995	\$802,100	(2.51)

Contracted transportation services with the Area 10 Agency on Aging for the provision of BT Access to persons with disabilities projected at \$544,550.

Other expenses include contracted transit management services, contracted facility maintenance services, software support services, employee counseling services, legal services, information technology services, payroll processing, and auditing services.

Telephone/Data	\$ 9,200	\$ 8,800	4.55
Postage	\$ 4,500	\$ 3,875	16.13

**Budget Class III (continued)**

	<u>2009 Proposed</u>	<u>2008</u>	<u>Percent Change</u>
Travel	\$ 3,000	\$ 8,400	(64.29)
Printing	\$ 29,000	\$ 27,700	4.69
Advertising	\$ 45,000	\$ 41,250	9.09
Insurance/Risk Management	\$ 245,000	\$ 224,200	9.28
Electricity	\$ 24,000	\$ 21,900	9.59
Water	\$ 5,400	\$ 5,350	0.93
Gas	\$ 26,500	\$ 26,500	0.00
IU Shared Expenses	\$ 80,000	\$ 80,000	0.00
Building Maintenance	\$ 8,250	\$ 8,250	0.00
Repairs and Labor	\$ 34,000	\$ 33,400	1.80
Training, Dues, Subscriptions	<u>\$ 35,500</u>	<u>\$ 33,000</u>	7.58
<b>Subtotal Budget Class III</b>	<u>\$ 1,331,345</u>	<u>\$ 1,324,725</u>	0.50
<b>Total Operating Expenses (Class I-II-III)</b>	<u>\$ 6,603,059</u>	<u>\$ 5,724,498</u>	15.35

**Budget Class IV - Capital**

	<u>2009 Proposed</u>	<u>2008</u>	<u>Percent Change</u>
Tires/Drive Train Rebuilds	\$ 74,740	\$ 76,988	(2.92)
BT Access Vehicle Capitalization	\$ 84,365	\$ 84,620	(0.30)
Equipment	\$ 13,800	\$ 513,800	(97.31)
Includes computer hardware and software, and other equipment.			
Engineering & Design/Construction of the Downtown Transit Facility	\$ 3,000,000	\$ 1,500,000	100.00
Motor Equipment	<u>\$ -</u>	<u>\$ 1,400,000</u>	(100.00)
<b>Subtotal Budget Class IV</b>	<u>\$ 3,172,905</u>	<u>\$ 3,575,408</u>	(11.26)
<b>TOTAL EXPENDITURES (I-II-III-IV)</b>	<u>\$ 9,775,964</u>	<u>\$ 9,299,903</u>	5.12

## REVENUES

	2009 <u>Proposed</u>	<u>2008</u>	<u>Percent Change</u>
Property Tax Levy	\$ 996,445	\$ 948,995	5.00
Financial Institution Tax	\$ 11,900	\$ 11,900	0.00
License Excise Tax	\$ 58,000	\$ 57,700	0.52
COIT	\$ 310,000	\$ 290,000	6.90
Commercial Vehicle Excise Tax	\$ 4,500	\$ 4,455	1.01
Passenger Fares	\$ 420,000	\$ 373,140	12.56
Advertising Sales	\$ 36,000	\$ 30,000	20.00
State PMTF	\$ 2,052,272	\$ 1,718,095	19.45
Federal JARC	\$ 208,000	\$ 100,000	108.00
Federal New Freedom	\$ 26,000	\$ 25,000	4.00
Federal 5307/5309	\$ 3,813,284	\$ 3,749,744	1.69
Federal Planning	\$ 32,000	\$ 32,000	0.00
Transfer from Operating Reserve	\$ 103,671	\$ 161,545	(35.83)
Transfer from Capital Reserve	\$ 500,000	\$ 579,179	(13.67)
IU Contract Revenue	\$ 1,021,892	\$ 978,150	4.47
Interest	\$ 80,000	\$ 100,000	(20.00)
IU Reimbursements	\$ 85,000	\$ 120,000	(29.17)
Miscellaneous	\$ 17,000	\$ 20,000	(15.00)
<b>TOTAL REVENUE</b>	<b><u>\$ 9,775,964</u></b>	<b><u>\$ 9,299,904</u></b>	5.12