

# **FINANCE COMMITTEE MEETING TARC BOARD OF DIRECTORS**



## **Meeting Notice:**

The TARC Board of Directors holds a monthly meeting of the Finance subcommittee. The next meeting will be held at:

**TARC's Headquarters, Board Room  
1000 W. Broadway, Louisville, KY 40203**

**Wednesday, March 16, 2022 at 4:00 p.m.**

Alternately, members of the public and/or TARC staff may watch a livestream of the meeting by going to [www.facebook.com/ridetarc](https://www.facebook.com/ridetarc) the livestream will be at the top of the page; No Facebook account is needed. Public comments may be submitted in the chat feature, please include your name in the chat.

Pursuant to the Americans with Disabilities Act, persons with a disability may request a reasonable accommodation for assistance with the meeting or meeting materials. Please contact Ashlie Woods at 502.561.5108. Requests made as early as possible will allow time to arrange accommodation.

# FINANCE COMMITTEE MEETING TARC BOARD OF DIRECTORS



## Agenda – March 16, 2022

- |      |   |                |             |
|------|---|----------------|-------------|
| I.   | Quorum Call/Call to Order                                     | Carla Dearing  | 4:00        |
|      | a. Approval of February Meeting Minutes                       |                |             |
| II.  | Staff Reports and Presentations                               |                | 4:05 – 4:40 |
|      | a. January Financials   | Tonya Carter   |             |
|      | b. TARC Fiscal Year 2023 First Look Budget                    | Carrie Butler  |             |
| III. | Action Items for the Board Meeting                            |                | 4:40 – 4:55 |
|      | a. Resolution 2022 - 08<br>Paratransit Vehicle Purchase       | Geoffrey Hobin |             |
|      | b. Amendment to Resolution 2022-03<br>Security Guard Services | Maria Harris   |             |
| IV.  | Proposed Agenda Items   | Carrie Butler  | 4:55 – 5:10 |
|      | a. Janitorial Services  |                |             |
|      | b. Amendment to 2021-43<br>Management Consulting Services     |                |             |
|      | c. Sole Source Award: Fare Collection Maintenance Agreement   |                |             |
|      | d. To Be Released Procurements:                               |                |             |
|      | i. Substance Abuse Testing (re-release)                       |                |             |
|      | ii. Brakes and Components (Invitation to Bid)                 |                |             |
|      | iii. Cooling components (Invitation to Bid)                   |                |             |
|      | e. Upcoming Procurements:                                     |                |             |
|      | i. Voice Radio Equipment                                      |                |             |
|      | ii. 30 <sup>th</sup> Street Training Lot                      |                |             |
|      | iii. HVAC Installation at TARC Bus Barn                       |                |             |
|      | iv. Legal Services  |                |             |
|      | v. Facility Wide General Maintenance and Contracting Services |                |             |
| V.   | Adjournment   |                | 5:15        |

# TARC FINANCE SUBCOMMITTEE MEETING



## February 2022 Finance Subcommittee Meeting Minutes

The Finance Subcommittee of Transit Authority of River City (TARC) met on Tuesday, February 15, 2022 at 1:30 P.M. in person at TARC's headquarters, 1000 West Broadway in the Board Room.

### **Members Present**

Carla Dearing - Virtual

John Launius - Virtual

### **Call to Order**

Carrie Butler called the meeting to order at 1:33 p.m.

### **Financial Reports**

Presented By: Tonya Carter

December Financial Summary. See Financials in packet.

### **Board Resolutions**

#### **Resolution 2022-01 Financial Management Policy**

Presented by: Carrie Butler

A resolution adopting updated Financial Management Policy as recommended by the Federal Transit Administration resulting from the Finance Management Oversight Program (FMO) to clarify job titles and responsibilities and to accurately depict our current budget, financial and procurement processes.

#### **Resolution 2022-05 Human Resources and Payroll Systems**

Presented by: Maria Harris

A Resolution authorizing the Executive Director to enter into a contract for an Initial Term of three (3) years with an Option of two (2) one-year terms with ADP for a Payroll and Human Resources Information System over a 5-year period for a total not-to-exceed (NTE) amount of \$902,981.

#### **Resolution 2022-06 Fluid Management System**

Presented by: Geoffrey Hobin

A Resolution authorizing the Executive Director to negotiate and enter into a contract with S & A Systems, Inc. for an Automated Fuel and Fluids Monitoring System for a contract maximum of \$740,000 for a possible ten year term.

# TARC FINANCE SUBCOMMITTEE MEETING



## **Resolution 2022-07 Capital Assistance Projects**

Presented by: Geoffrey Hobin

A Resolution authorizing the Executive Director to file an application with the Department of Transportation, United States of America, for a grant under the Urban Mass Transportation Act of 1964, as amended.

## **Additional Comments**

The Finance Committee recommended to send Resolution 2022-05 Human Resources and Payroll Systems to the Human Resources Subcommittee as a FYI and also the 2022-06 Fluid Management System out to the Strategic Planning and Technology Subcommittee.

John Launius proposed moving the Finance Committee meetings up 1 week so they have more time to review information before it goes to the full Board. Carrie Butler will be looking into solutions to get the packets out sooner.

## **Proposed Agenda Items/Next Meeting Dates**

- Previews of Budget before the March Finance Committee meeting

Meeting Adjourned at 2:23 p.m.

**TARC Board of Directors  
Financial Summary  
January 2022, Fiscal Year 2022**



**Current Month Revenues Compared to Budget**

Total Operating Revenues are under budget \$69,591 (pg. 2, line 9) mainly due to Passenger Fares and Special Fares being under budget. Total Non-Operating Revenues (Subsidies) are under budget \$1,120,891 (pg. 2, line 16) mainly due to Operating Expenses being under budget. Total Capital Contributions are under budget \$1,649,586 (pg. 2, line 25) due to timing of projects. Total Revenues with Capital are under budget \$2,840,068 (pg. 2, line 27) mainly due Capital Contributions and Operating Expenses being under budget.

**Current Month Expenses Compared to Budget**

Total Operating Expenses are under budget \$1,388,680 (pg. 2, line 41) mainly due to Fringes, Materials and Purchased Transportation being under budget. Total Capital Expenses are under budget \$18,806 (pg. 2, line 48) compared to budget. Total Expenses with Capital are under budget \$1,407,486 (pg. 2, line 50) due to Operating Expenses being under budget.

**Current Month Actual Summary**

Total Operating Revenues are \$613,111 (pg. 2, line 9) and Total Operating Expenses are \$6,849,041 (pg. 2, line 41) bringing the net to an unfavorable balance of \$6,235,930 before Subsidies are applied. After applying Subsidies of \$6,434,129 (pg. 2, line 16) there is a favorable balanced of \$198,199 (pg. 2, line 53) for the current month before Capital Contributions and Capital Expenses are applied.

**YTD Revenues Compared to Budget**

Total Operating Revenues are under budget \$674,872 (pg. 2 line 9) mainly due to Passenger Fares and Special fares being under budget. Total Non-Operating Revenues (Subsidies) are under budget \$3,635,039 (pg. 2, line 16) mainly due to applying less Federal Reimbursement Funds-FTA due to Operating Expenses being under budget. Total Capital Contributions are under budget \$2,136,984 (pg. 2, line 25) mainly due to timing of state match on new bus purchases and local match on federal formula dollars being under budget. Total Revenues with Capital are under budget \$6,446,895 (pg. 2, line 27) mainly due to applying less subsidies because Operating Expenses are under budget.

**YTD Expenses Compared to Budget**

Total Operating Expenses are under budget \$4,508,093 (pg. 2, line 41) mainly due to Fringe & Benefits, Services, Materials, and Purchased Transportation being under budget. Total Capital Expenses are over budget \$216,112 (pg. 2, line 48) compared to budget. Total Expenses with Capital are under budget \$4,291,981 (pg. 2, line 50) due to Operating Expenses being under budget and offset with Depreciation expenses being over budget.

## **YTD Actual Summary**

Total Operating Revenues are \$4,411,593 (pg. 2, line 9) and Total Operating Expenses are \$52,220,451 (pg. 2, line 41) bringing the net to an unfavorable balance of \$47,808,858 (pg.7, YTD Balance tab) before Subsidies are applied. After applying Subsidies \$48,007,040 (pg. 2, line 16) the net is a favorable balance of \$198,183 for year-to-date before Capital Contributions and Capital Expenses are applied. This can also be seen on the bottom half of page 7 in your Financial Statement packet.

## **Operating Summary**

Overall after applying the Subsidies the Statement of Revenues – Expenses shows a favorable balance of \$198,183 before applying the MTTF Revenue receipts. January MTTF budgeted receipts for revenue deposits is over budget \$5,623,445 (pg. 8) year-to-date. We currently have a favorable balance before capital year-to-date of \$5,821,627 (pg. 7) due to the MTTF revenue deposits being over budget. MTTF Net Profit Fees are down \$308,571 (pg. 8) and Employee Withholdings are up \$2,422,870 (pg. 8) year-to-date compared to last year.

## Statement of Revenue - Expenses - with Capital Contributions

January 2022, Fiscal Year 2022



page 2

|             |   | Current Month |           |           |                               | Fiscal Year-to-date |            |                               |                         |
|-------------|---|---------------|-----------|-----------|-------------------------------|---------------------|------------|-------------------------------|-------------------------|
|             |   | FY22          |           |           |                               |                     |            |                               |                         |
| Description |   | Total Budget  | Actual    | Budget    | Over budget<br>(Under budget) | Actual              | Budget     | Over budget<br>(Under budget) | Percentage<br>Remaining |
| Revenues    |   |               |           |           |                               |                     |            |                               |                         |
| 1           | Passenger Fares                             | 4,757,097     | 330,811   | 395,708   | (64,897)                      | 2,480,902           | 2,968,731  | (487,829)                     | 47.85%                  |
| 2           | Paratransit Fares                           | 805,500       | 74,370    | 70,000    | 4,370                         | 525,157             | 567,500    | (42,343)                      | 34.80%                  |
| 3           | Special Fare Revenues (UofL, UPS and etc)   | 1,796,605     | 115,408   | 144,300   | (28,892)                      | 847,542             | 1,041,390  | (193,848)                     | 52.83%                  |
| 4           | Comp Specials                               | 150,000       | 0         | 0         | 0                             | 0                   | 0          | 0                             | 100.00%                 |
| 5           | Advertising Revenue                         | 624,000       | 53,333    | 52,000    | 1,333                         | 373,333             | 364,000    | 9,333                         | 40.17%                  |
| 6           | Other Agency Revenues                       | 183,300       | 11,294    | 15,275    | (3,981)                       | 135,237             | 106,925    | 28,312                        | 26.22%                  |
| 7           | Total Recoveries-Insurance                  | 65,000        | 27,893    | 5,417     | 22,476                        | 49,422              | 37,919     | 11,503                        | 23.97%                  |
| 8           |   |               |           |           |                               |                     |            |                               |                         |
| 9           | Operating Revenues                          | 8,381,502     | 613,111   | 682,700   | (69,591)                      | 4,411,593           | 5,086,465  | (674,872)                     | 47.37%                  |
| 10          |   |               |           |           |                               |                     |            |                               |                         |
| 11          | MTTF Contributions- Federated               | 50,865,563    | 3,459,482 | 3,459,482 | 0                             | 29,234,572          | 29,234,572 | 0                             | 42.53%                  |
| 12          | Local Government Funds - MTTF               | 1,146,453     | 0         | 95,538    | (95,538)                      | 25,285              | 668,766    | (643,481)                     | 97.79%                  |
| 13          | Federal Reimbursement Funds - FTA           | 38,008,770    | 0         | 4,000,000 | (4,000,000)                   | 15,418,959          | 21,192,250 | (5,773,291)                   | 59.43%                  |
| 14          | State Government Funds                      | 1,553,856     | 2,974,647 | 0         | 2,974,647                     | 3,328,224           | 546,491    | 2,781,733                     | -114.19%                |
| 15          |   |               |           |           |                               |                     |            |                               |                         |
| 16          | Total Non-Operating Revenues                | 91,574,642    | 6,434,129 | 7,555,020 | (1,120,891)                   | 48,007,040          | 51,642,079 | (3,635,039)                   | 47.58%                  |
| 17          |   |               |           |           |                               |                     |            |                               |                         |
| 18          | Total Revenues Before Cap Contributions     | 99,956,144    | 7,047,240 | 8,237,720 | (1,190,482)                   | 52,418,633          | 56,728,544 | (4,309,911)                   | 47.56%                  |
| 19          |   |               |           |           |                               |                     |            |                               |                         |
| 20          | Local Government Funds - MTTF, Cap          | 2,188,232     | 7,602     | 292,824   | (285,222)                     | 124,431             | 914,867    | (790,436)                     | 94.31%                  |
| 21          | Federal Reimbursement Funds - FTA, Cap      | 22,218,487    | 71,804    | 1,436,168 | (1,364,364)                   | 12,478,743          | 16,699,102 | (4,220,359)                   | 43.84%                  |
| 22          | State Government Funds, Cap                 | 0             | 0         | 0         | 0                             | 2,873,811           | 0          | 2,873,811                     | 0.00%                   |
| 23          | Other Agencies Revenue, Cap                 | 0             | 0         | 0         | 0                             | 0                   | 0          | 0                             | 0.00%                   |
| 24          |   |               |           |           |                               |                     |            |                               |                         |
| 25          | Total Capital Contributions                 | 24,406,719    | 79,406    | 1,728,992 | (1,649,586)                   | 15,476,985          | 17,613,969 | (2,136,984)                   | 36.59%                  |
| 26          |   |               |           |           |                               |                     |            |                               |                         |
| 27          | Total Revenues                              | 124,362,863   | 7,126,646 | 9,966,712 | (2,840,068)                   | 67,895,618          | 74,342,513 | (6,446,895)                   | 45.41%                  |
| 28          |   |               |           |           |                               |                     |            |                               |                         |
| 29          |   |               |           |           |                               |                     |            |                               |                         |
| 30          | Expenses                                    |               |           |           |                               |                     |            |                               |                         |
| 31          |   |               |           |           |                               |                     |            |                               |                         |
| 32          | Labor                                       | 32,000,848    | 2,474,286 | 2,394,890 | 79,396                        | 18,078,049          | 18,019,266 | 58,783                        | 43.51%                  |
| 33          | Fringes & Benefits                          | 31,734,057    | 2,012,674 | 2,679,913 | (667,239)                     | 17,702,038          | 18,725,575 | (1,023,537)                   | 44.22%                  |
| 34          | Services                                    | 5,639,222     | 461,604   | 467,616   | (6,012)                       | 3,068,807           | 3,299,383  | (230,576)                     | 45.58%                  |
| 35          | Materials                                   | 7,458,185     | 479,212   | 610,711   | (131,499)                     | 3,512,471           | 4,334,144  | (821,673)                     | 52.90%                  |
| 36          | Utilities                                   | 1,016,796     | 126,758   | 84,733    | 42,025                        | 597,336             | 593,131    | 4,205                         | 41.25%                  |
| 37          | Casualty & Liability                        | 2,736,426     | 207,702   | 228,035   | (20,333)                      | 1,835,790           | 1,596,245  | 239,545                       | 32.91%                  |
| 38          | Purchased Transportation                    | 18,740,930    | 1,029,684 | 1,726,155 | (696,471)                     | 7,124,973           | 9,779,072  | (2,654,099)                   | 61.98%                  |
| 39          | Interest Expense                            | 7,860         | 636       | 636       | 0                             | 5,262               | 5,263      | (1)                           | 33.05%                  |
| 40          | Other Expenses                              | 621,820       | 56,484    | 45,031    | 11,453                        | 295,725             | 376,465    | (80,740)                      | 52.44%                  |
| 41          | Operating Expenses                          | 99,956,144    | 6,849,041 | 8,237,720 | (1,388,680)                   | 52,220,451          | 56,728,544 | (4,508,093)                   | 47.76%                  |
| 42          |   |               |           |           |                               |                     |            |                               |                         |
| 43          |   |               |           |           |                               |                     |            |                               |                         |
| 44          |   |               |           |           |                               |                     |            |                               |                         |
| 45          | Development Cost & Loss on Disposal         | 426,467       | 28,797    | 21,002    | 7,795                         | 131,595             | 80,917     | 50,678                        | 69.14%                  |
| 46          | Depreciation Expenses                       | 12,194,557    | 1,010,691 | 1,038,094 | (27,403)                      | 6,956,801           | 6,794,232  | 162,569                       | 42.95%                  |
| 47          | Loss on Disposal of Assets                  | 0             | 802       | 0         | 802                           | 2,865               | 0          | 2,865                         | 0.00%                   |
| 48          | Total Capital Expenses                      | 12,621,024    | 1,040,290 | 1,059,096 | (18,806)                      | 7,091,261           | 6,875,149  | 216,112                       | 43.81%                  |
| 49          |   |               |           |           |                               |                     |            |                               |                         |
| 50          | Total Expenses                              | 112,577,168   | 7,889,331 | 9,296,816 | (1,407,486)                   | 59,311,712          | 63,603,693 | (4,291,981)                   | 47.31%                  |
| 51          |   |               |           |           |                               |                     |            |                               |                         |
| 52          |   |               |           |           |                               |                     |            |                               |                         |
| 53          | Revenue / Expense Difference Before Capital | 0             | 198,199   | 0         | 198,198                       | 198,183             | 0          | 198,182                       | 0.00%                   |
| 54          |   |               |           |           |                               |                     |            |                               |                         |
| 55          | Revenue / Expense Difference After Capital  | 11,785,695    | (762,685) | 669,896   | (1,432,582)                   | 8,583,906           | 10,738,820 | (2,154,914)                   | 27.17%                  |

## Total Labor

January 2022, Fiscal Year 2022



|                                      |                      | Current Month |           |                               | Fiscal Year-to-date |             |                               |                         |
|--------------------------------------|----------------------|---------------|-----------|-------------------------------|---------------------|-------------|-------------------------------|-------------------------|
| Description                          | FY22<br>Total Budget | Actual        | Budget    | Over budget<br>(Under budget) | Actual              | Budget      | Over budget<br>(Under budget) | Percentage<br>Remaining |
| 1 Direct Labor                       | 32,000,848           | 2,474,286     | 2,394,890 | 79,396                        | 18,078,049          | 18,019,266  | 58,783                        | 43.51%                  |
| 2 Sick Leave                         | 1,651,183            | 152,384       | 112,094   | 40,290                        | 815,287             | 1,059,769   | (244,482)                     | 50.62%                  |
| 3 Holiday                            | 1,252,323            | 142,942       | 278,575   | (135,633)                     | 767,613             | 968,435     | (200,822)                     | 38.70%                  |
| 4 Vacation                           | 2,088,175            | 100,377       | 171,868   | (71,491)                      | 1,336,826           | 1,216,195   | 120,631                       | 35.98%                  |
| 5 Other Paid Absences                | 240,381              | 14,483        | 15,891    | (1,408)                       | 98,932              | 159,650     | (60,718)                      | 58.84%                  |
| 6                                    |                      |               |           |                               |                     |             |                               |                         |
| 7 Total                              | 37,232,910           | 2,884,472     | 2,973,318 | (88,846)                      | 21,096,707          | 21,423,315  | (326,608)                     | 43.34%                  |
| 8                                    |                      |               |           |                               |                     |             |                               |                         |
| 9 Difference compared to Budget      |                      |               | (88,846)  |                               |                     | (326,608)   |                               |                         |
|                                      |                      |               |           |                               |                     |             |                               |                         |
|                                      |                      | Current Month |           |                               | Year to Date        |             |                               |                         |
| Description                          | FY21<br>Total Budget | Actual        | Budget    | Over budget<br>(Under budget) | Actual              | Budget      | Over budget<br>(Under budget) | Percentage<br>Remaining |
| 10 FICA                              | 2,848,318            | 187,868       | 227,456   | (39,588)                      | 1,578,656           | 1,638,882   | (60,226)                      | 44.58%                  |
| 11 Pension                           | 10,262,221           | 645,562       | 801,309   | (155,747)                     | 5,441,258           | 6,007,604   | (566,346)                     | 46.98%                  |
| 12 Hospital Medical & Surgical       | 10,509,847           | 723,743       | 847,662   | (123,919)                     | 5,388,749           | 5,933,634   | (544,885)                     | 48.73%                  |
| 13 Vision Care Insurance             | 101,537              | 5,873         | 8,468     | (2,595)                       | 32,823              | 59,276      | (26,453)                      | 67.67%                  |
| 14 Dental Plans                      | 353,988              | 22,938        | 29,499    | (6,561)                       | 153,921             | 206,493     | (52,572)                      | 56.52%                  |
| 15 Life Insurance                    | 101,040              | 7,286         | 8,420     | (1,134)                       | 50,912              | 58,940      | (8,028)                       | 49.61%                  |
| 16 Disability Insurance              | 155,544              | 10,387        | 12,962    | (2,575)                       | 72,692              | 90,734      | (18,042)                      | 53.27%                  |
| 17 Kentucky Unemployment             | 40,000               | 0             | 0         | 0                             | 6,267               | 20,000      | (13,733)                      | 84.33%                  |
| 18 Worker's Compensation             | 1,850,000            | (17,474)      | 154,167   | (171,641)                     | 1,708,566           | 1,079,169   | 629,397                       | 7.65%                   |
| 19 Uniform & Work Clothing Allowance | 277,000              | 16,183        | 11,333    | 4,850                         | 248,312             | 225,331     | 22,981                        | 10.36%                  |
| 20 Other Fringes                     | 2,500                | 120           | 209       | (89)                          | 1,225               | 1,463       | (238)                         | 51.00%                  |
| 21 Total Fringe & Benefits           | 26,501,995           | 1,602,487     | 2,101,485 | (498,999)                     | 14,683,382          | 15,321,526  | (638,144)                     | 44.60%                  |
| 22                                   |                      |               |           |                               |                     |             |                               |                         |
| 23                                   |                      |               |           |                               |                     |             |                               |                         |
| 24 Sick Leave                        | 1,651,183            | 152,384       | 112,094   | 40,290                        | 815,287             | 1,059,769   | (244,482)                     | 50.62%                  |
| 25 Holiday                           | 1,252,323            | 142,942       | 278,575   | (135,633)                     | 767,613             | 968,435     | (200,822)                     | 38.70%                  |
| 26 Vacation                          | 2,088,175            | 100,377       | 171,868   | (71,491)                      | 1,336,826           | 1,216,195   | 120,631                       | 35.98%                  |
| 27 Other Paid Absences               | 240,381              | 14,483        | 15,891    | (1,408)                       | 98,932              | 159,650     | (60,718)                      | 58.84%                  |
| 28 Total Compensation Benefits       | 5,232,062            | 410,186       | 578,428   | (168,242)                     | 3,018,658           | 3,404,049   | (385,391)                     | 42.30%                  |
| 29                                   |                      |               |           |                               |                     |             |                               |                         |
| 30 Total                             | 31,734,057           | 2,012,674     | 2,679,913 | (667,241)                     | 17,702,038          | 18,725,575  | (1,023,535)                   | 44.22%                  |
| 31                                   |                      |               |           |                               |                     |             |                               |                         |
| 32 Difference compared to Budget     |                      |               | (667,239) |                               |                     | (1,023,537) |                               |                         |



## Balance Sheet

January 2022, Fiscal Year 2022



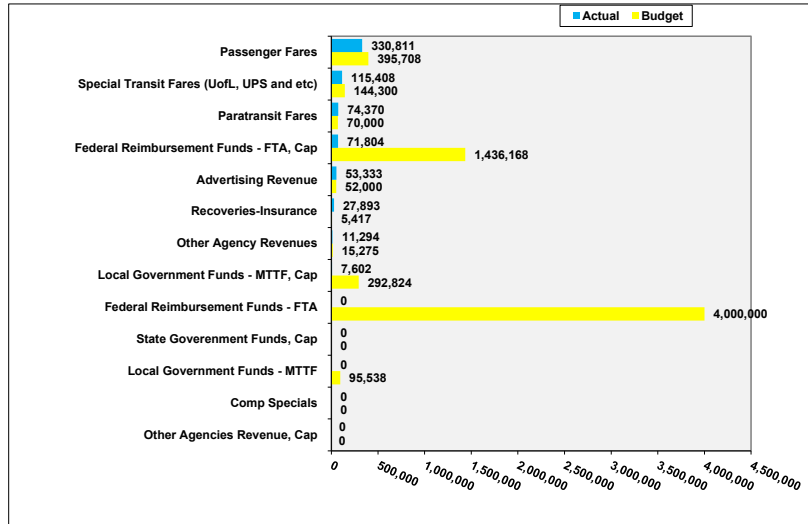
| Assets                               | FY 22              | FY 21              | Liabilities, Reserves & Capital         | FY 22              | FY 21              |
|--------------------------------------|--------------------|--------------------|---|--------------------|--------------------|
| <b>Current Assets</b>                |                    |                    | <b>Current Liabilities</b>              |                    |                    |
| Cash & Cash Items                    | 1,606,838          | 3,614,094          | Long Term Debt                          | 121,697            | 262,538            |
| Short Term Investments               | 6,469,029          | 3,136,642          | Short Term Debt                         | 0                  | 0                  |
| Accounts Receivable                  | 61,002,596         | 59,188,692         | Trade Payables                          | 8,682,753          | 5,019,535          |
| Interest Receivable                  | 11                 | 66                 | Accrued Payroll Liabilities             | 4,444,552          | 4,263,399          |
| Due From Grant                       | 80,000             | 80,000             | Estimated Workmans Compensation         | 3,670,591          | 2,922,104          |
| Materials & Supplies                 | 1,815,787          | 1,619,637          | Accrued Tax Liabilities                 | 0                  | 0                  |
| <b>Total Current Assets</b>          | <b>70,974,261</b>  | <b>67,639,132</b>  | Unredeemed Tickets & Tokens             | 1,676,414          | 1,744,171          |
| <b>Other Assets</b>                  |                    |                    | Reserves - Injury & Damages             | 1,894,900          | 887,400            |
| Prepaid Insurance & Dues & WIP       | 1,139,737          | 1,194,222          | Due To Operations                       | 80,000             | 80,000             |
| <b>Total Other Assets</b>            | <b>1,139,737</b>   | <b>1,194,222</b>   | Unearned Capital Contributions          | 50,279,454         | 54,070,393         |
| <b>Fixed Assets</b>                  |                    |                    | Other Current Liabilities (Health Ins.) | 2,045,281          | 383,942            |
| Land                                 | 3,187,624          | 3,177,782          | <b>Total Current Liabilities</b>        | <b>72,895,642</b>  | <b>69,633,482</b>  |
| Buildings                            | 49,386,466         | 49,122,760         | <b>Equity</b>                           |                    |                    |
| Coaches                              | 129,482,222        | 114,004,162        | Retained Earnings                       | 8,583,906          | (5,466,852)        |
| Office Equipment                     | 10,452,872         | 10,459,196         | Prior Year Retained Earning             | 75,248,859         | 76,460,607         |
| Other Equipment                      | 21,980,483         | 21,907,561         | <b>Total Equity</b>                     | <b>83,832,765</b>  | <b>70,993,755</b>  |
| Development Costs                    | 345,566            | 234,062            | <b>Total Liabilities &amp; Equity</b>   | <b>156,728,407</b> | <b>140,627,237</b> |
| Vehicle Exp - Operating              | 1,420,405          | 1,420,405          |   |                    |                    |
| Other Equipment -Operating           | 162,888            | 151,307            |   |                    |                    |
| <b>Total Fixed Assets</b>            | <b>216,418,525</b> | <b>200,477,233</b> |   |                    |                    |
| <b>Less Accumulated Depreciation</b> |                    |                    |   |                    |                    |
| Accumulated Depr Land                | 736,459            | 702,644            |   |                    |                    |
| Accumulated Depr Buildings           | 28,009,405         | 26,491,252         |   |                    |                    |
| Accumulated Depr Coaches             | 75,359,313         | 74,962,116         |   |                    |                    |
| Accumulated Depr Office Equipment    | 8,487,572          | 7,937,317          |   |                    |                    |
| Accumulated Depr Other Equipment     | 17,994,835         | 17,554,121         |   |                    |                    |
| Accumulated Depr Development Cost    | 131,595            | 51,352             |   |                    |                    |
| Accumulated Depr Vehicle Exp - Opr   | 957,364            | 901,238            |   |                    |                    |
| Accumulated Depr Other Equipment Op  | 127,573            | 113,311            |   |                    |                    |
| <b>Total Depreciation</b>            | <b>131,804,115</b> | <b>128,713,351</b> |   |                    |                    |
| <b>Net Fixed Assets</b>              | <b>84,614,410</b>  | <b>71,763,883</b>  |   |                    |                    |
| <b>Total Assets</b>                  | <b>156,728,407</b> | <b>140,597,237</b> |   |                    |                    |

## Actual Revenue vs. Budget

January 2022, Fiscal Year 2022



## Current Month Revenues



MTTF \$3,459,482 Actual = \$3,459,482 Budget

Federal Reimbursement Funds - FTA \$0 Actual &lt; \$4,000,000 Budget

Passenger fares \$64,897 ↓  
 Paratransit fares \$4,370 ↑  
 Special Fares \$28,892 ↓  
 Federal Reimbursement Funds - FTA \$4,000,000 ↓  
 State Government Funds - \$2,974,647 ↑

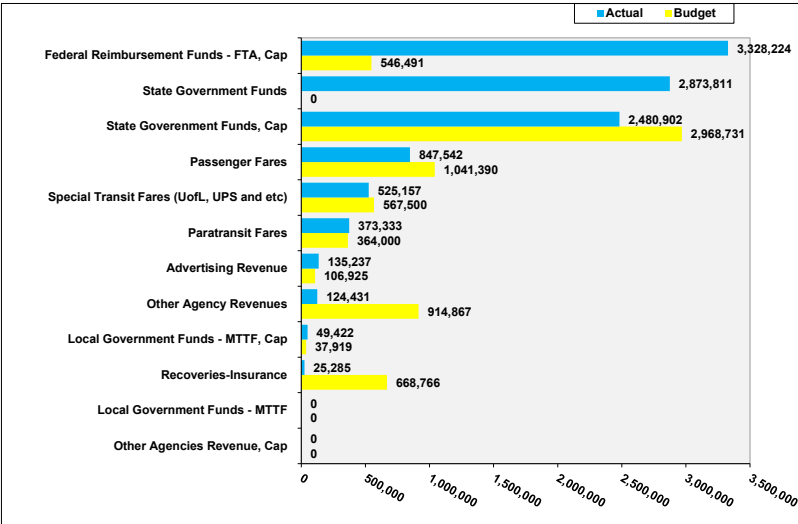
## CM

- \* Special Fares - is under budget \$28,892 mainly due to one contract decrease and we will see this decrease monthly
- \* Federal Reimbursement Funds - FTA, is under budget \$4,000,000 mainly due to receiving State match and expenses being under budget
- \* State Government Funds - is over budget \$2,974,647 due to receiving funds from the State for local match on 2019 Federal Formula funds

## YTD

- \* Federal Reimbursement Funds - FTA is under budget \$5,773,291 mainly due to receiving State match and operating expenses being under budget
- \* State Government Funds - is over budget \$2,781,733 mainly due to receiving the State funds for local match
- \* Federal Reimbursement Funds - FTA, Cap - is under budget \$4,220,359 mainly due to timing of expenditures for bus purchases
- \* State Government Funds, Cap - is over budget \$2,873,811 due to timing of expenditures for bus purchases

## Year to Date Revenues



MTTF \$29,234,572 Actual = \$29,234,572 Budget

Federal Reimbursement Funds - FTA \$15,418,959 Actual &lt; \$21,192,250 Budget

Federal Reimbursement Funds - FTA, Cap \$12,478,743 Actual &lt; \$16,699,102 Budget

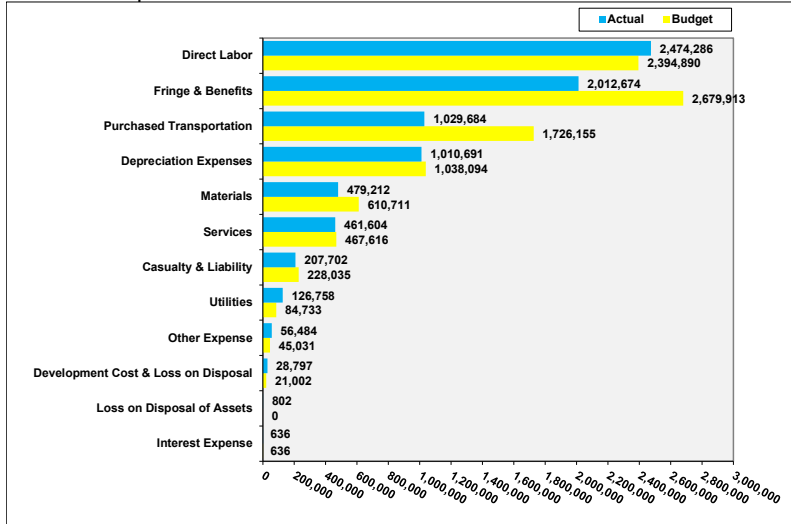
Passenger fares \$487,829 ↓  
 Paratransit fares \$42,343 ↓  
 Federal Reimbursement Funds - FTA \$5,773,291 ↓  
 State Government Funds - \$2,781,733 ↑  
 Federal Reimbursement Funds - FTA, Cap \$4,220,359 ↓  
 State Government Funds, Cap - \$2,873,811 ↑

## Actual Expenses vs. Budget

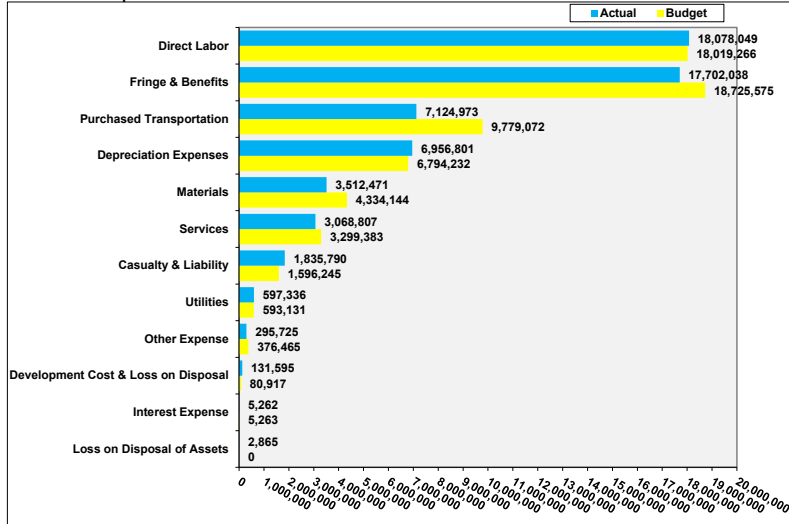
January 2022, Fiscal Year 2022



## Current Month Expenses



## Year to Date Expenses



Direct Labor \$79,396 Total Labor \$88,846

Fringe & Benefits \$667,239

Materials & Supplies \$131,499

Purchased Transportation \$696,471

Direct Labor \$58,783 Total Labor \$326,608

Fringe & Benefits \$1,023,537

Materials \$821,673

Casualty & Liability \$239,545

Purchased Transportation \$2,654,099

Depreciation Expenses \$162,569

## CM

- \* Direct Labor is over budget \$79,396
- \* Fringe & Benefits are under budget \$667,239 mainly due to Pension, Medical, Worker's Compensation and Holiday pay
- \* Materials & Supplies is under budget \$131,499 mainly due to Diesel Fuel and Maintenance materials & supplies being under budget
- \* Purchased Transportation is under budget \$696,471 mainly due to revenue hours and penalties

## YTD

- \* Fringe & Benefits are under budget \$1,023,537 mainly due to Pension, Medical, Sick leave, Holiday all being under budget and offset by Worker's Compensation being over \$629,397
- \* Materials are under budget \$821,673 mainly due to diesel fuel and Maintenance materials and supplies
- \* Casualty & Liability is over budget \$239,545 mainly due to settlements in prior months
- \* Purchased Transportation is under budget \$2,654,099 mainly due to revenue hours and penalties
- \* Depreciation Expenses are over budget \$162,569 mainly due to timing of bus purchases



## Year to Date Summary

January 2022, Fiscal Year 2022

### Actual Compared to Budget YTD

|  | Good         | In the Red  |                    |
|--|--------------|-------------|--------------------|
| Total Revenues before Capital are Over/ <b>Under</b> by (pg. 2, line 18) |              | \$4,309,911 |                    |
| Total Expenses are Over/ <b>Under</b> by (pg. 2, line 41)                | \$4,508,093  |             |                    |
| MTTF Revenue Deposits are <b>Over</b> /Under by (pg. 8)                  | \$5,623,445  |             |                    |
| January has a favorable balance before Capital of                        | \$10,131,538 | \$4,309,911 | <b>\$5,821,627</b> |

### Actual Revenues over Expenses

|   |                       |
|---|-----------------------|
| Operating Revenues                                | \$4,411,593           |
| Operating Expenses                                | \$52,220,451          |
| <b>Net Gain/(Loss) before MTTF</b>                | <b>(\$47,808,858)</b> |
| MTTF Approved Contributions                       | \$29,234,572          |
| <b>Net Gain/(Loss) before Subsidies</b>           | <b>(\$18,574,286)</b> |
| <b>Subsidies</b>                                  |                       |
| CARES   | \$10,387,177          |
| CRSSAA  | \$4,930,640           |
| 5307 Federal Formula dollars to be used as (CEER) | \$101,142             |
| MTTF Local Share                                  | \$25,285              |
| State Contributions                               | \$3,328,224           |
| <b>Total Subsidies</b>                            | <b>\$18,772,468</b>   |
| <b>Net Gain/(Loss) before Capital</b>             | <b>\$198,183</b>      |

# MassTransit Trust Fund (MTTF) Revenue Deposits

## Deposit to Budget Difference FY 2022



| Month     | FY 22<br>Actual Deposits | FY 22<br>Budget Deposits | Difference  | YTD Total   | Current Month | YTD    |
|-----------|--------------------------|--------------------------|-------------|-------------|---------------|--------|
| July      | \$4,416,524              | \$4,263,320              | \$153,204   | \$153,204   | 3.59%         |        |
| August    | \$4,516,464              | \$4,049,642              | \$466,822   | \$620,026   | 11.53%        | 7.46%  |
| September | \$5,708,766              | \$4,744,809              | \$963,957   | \$1,583,983 | 20.32%        | 12.13% |
| October   | \$4,035,303              | \$3,821,270              | \$214,033   | \$1,798,016 | 5.60%         | 10.65% |
| November  | \$5,069,943              | \$4,823,684              | \$246,259   | \$2,044,275 | 5.11%         | 11.72% |
| December  | \$6,581,965              | \$4,963,520              | \$1,618,445 | \$3,662,720 | 32.61%        | 19.96% |
| January   | \$6,549,774              | \$4,589,049              | \$1,960,725 | \$5,623,445 | 42.73%        | 30.90% |
| February  |                          | \$4,233,049              |             |             |               |        |
| March     |                          | \$4,173,450              |             |             |               |        |
| April     |                          | \$5,781,232              |             |             |               |        |
| May       |                          | \$3,901,651              |             |             |               |        |
| June      |                          | \$4,747,430              |             |             |               |        |
| TOTAL     | \$36,878,739             | \$54,092,106             |             |             |               |        |

## MTTF Revenue Deposits - Actuals

### LOUISVILLE METRO REVENUE COMMISSION TARC LICENSE FEE TRANSACTIONS

|                              | January<br>2022 | January<br>2021 | YTD<br>FYE 2022 | YTD<br>FYE 2021 | Difference<br>Amount | Percent<br>Change |
|------------------------------|-----------------|-----------------|-----------------|-----------------|----------------------|-------------------|
| <b>Receipts</b>              |                 |                 |                 |                 |                      |                   |
| Employee Withholding         | \$ 5,811,589    | \$ 5,060,721    | \$ 31,137,860   | \$ 28,714,990   | \$ 2,422,870         | 8.44%             |
| Individual Fees              | 7               | 48              | 67              | 944             | (877)                | -92.88%           |
| Net Profit Fees              | 784,989         | 441,502         | 5,814,498       | 6,123,069       | (308,571)            | -5.04%            |
| Interest & Penalty           | 42,107          | 77,222          | 426,190         | 343,369         | 82,821               | 24.12%            |
| Total Collections            | \$ 6,638,692    | \$ 5,579,493    | \$ 37,378,614   | \$ 35,182,372   | \$ 2,196,242         | 6.24%             |
| Investment Income            | \$ 704          | \$ 879          | \$ 4,735        | \$ 4,744        | \$ (9)               | -0.18%            |
| <b>Total Receipts</b>        | \$ 6,639,396    | \$ 5,580,372    | \$ 37,383,350   | \$ 35,187,116   | \$ 2,196,234         | 6.24%             |
| <b>Disbursements</b>         |                 |                 |                 |                 |                      |                   |
| Collection Fee               | \$ 89,622       | \$ 75,323       | \$ 504,611      | \$ 474,961      | \$ 29,650            | 6.24%             |
| <b>Total Disbursements</b>   | \$ 89,622       | \$ 75,323       | \$ 504,611      | \$ 474,961      | \$ 29,650            | 6.24%             |
| <b>Due Mass Transit</b>      | \$ 6,549,774    | \$ 5,505,049    | \$ 36,878,739   | \$ 34,712,155   | \$ 2,166,584         | 6.24%             |
| Less Previous Payments       |                 |                 | 30,328,965      | 29,207,106      | 1,121,859            | 3.84%             |
| <b>Payable To Trust Fund</b> |                 |                 | \$ 6,549,774    | \$ 5,505,049    | \$ 1,044,725         | 18.98%            |


**Reimbursement Funds Only and a One Time Funding Source for TARC**

|                 | <b>TARC<br/>Share</b> | <b>Actual<br/>FY 2020</b> | <b>Actual<br/>FY 2021</b> | <b>Actual YTD<br/>FY 2022</b> | <b>Remaining<br/>Balance</b> | <b>Budget YTD<br/>FY 2022</b> |
|-----------------|-----------------------|---------------------------|---------------------------|-------------------------------|------------------------------|-------------------------------|
| <b>CARES*</b>   | 41,576,008            | 4,341,151                 | 26,847,680                | 10,387,177                    | -                            | 13,000,563                    |
| <b>CRRSAA**</b> | 21,374,688            |                           |                           | \$4,930,640                   | 16,444,048                   | 18,237,895                    |
| <b>ARP***</b>   | 48,293,376            |                           |                           |                               | 48,293,376                   | 0                             |

\* KY-2020-012 was approved/Executed 5/27/2020

\*\* KY-2021-020 was approved/Executed 7/1/2021

\*\*\* Still moving through the process not approved/Executed



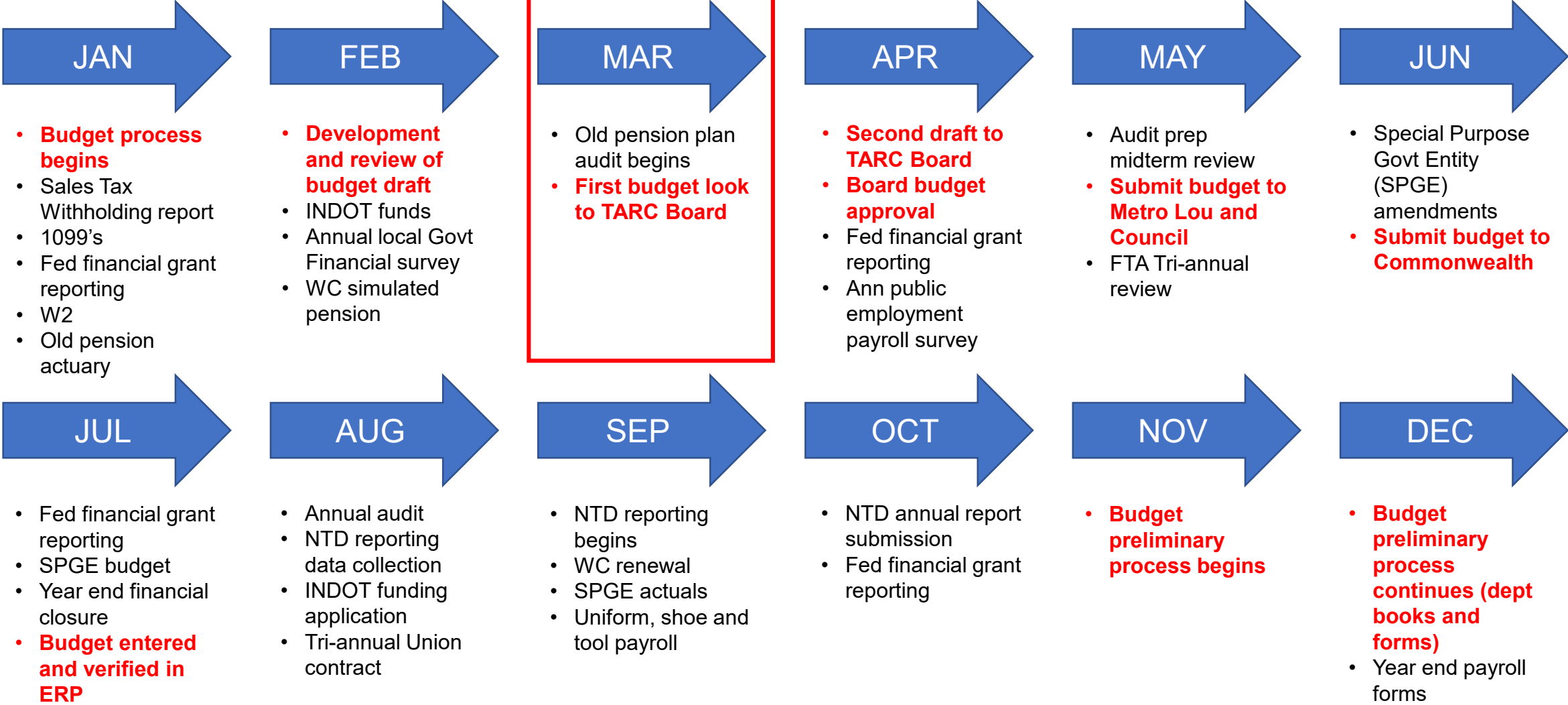


# FISCAL YEAR 2023 BUDGET INITIAL DRAFT OVERVIEW

MARCH 16, 2022

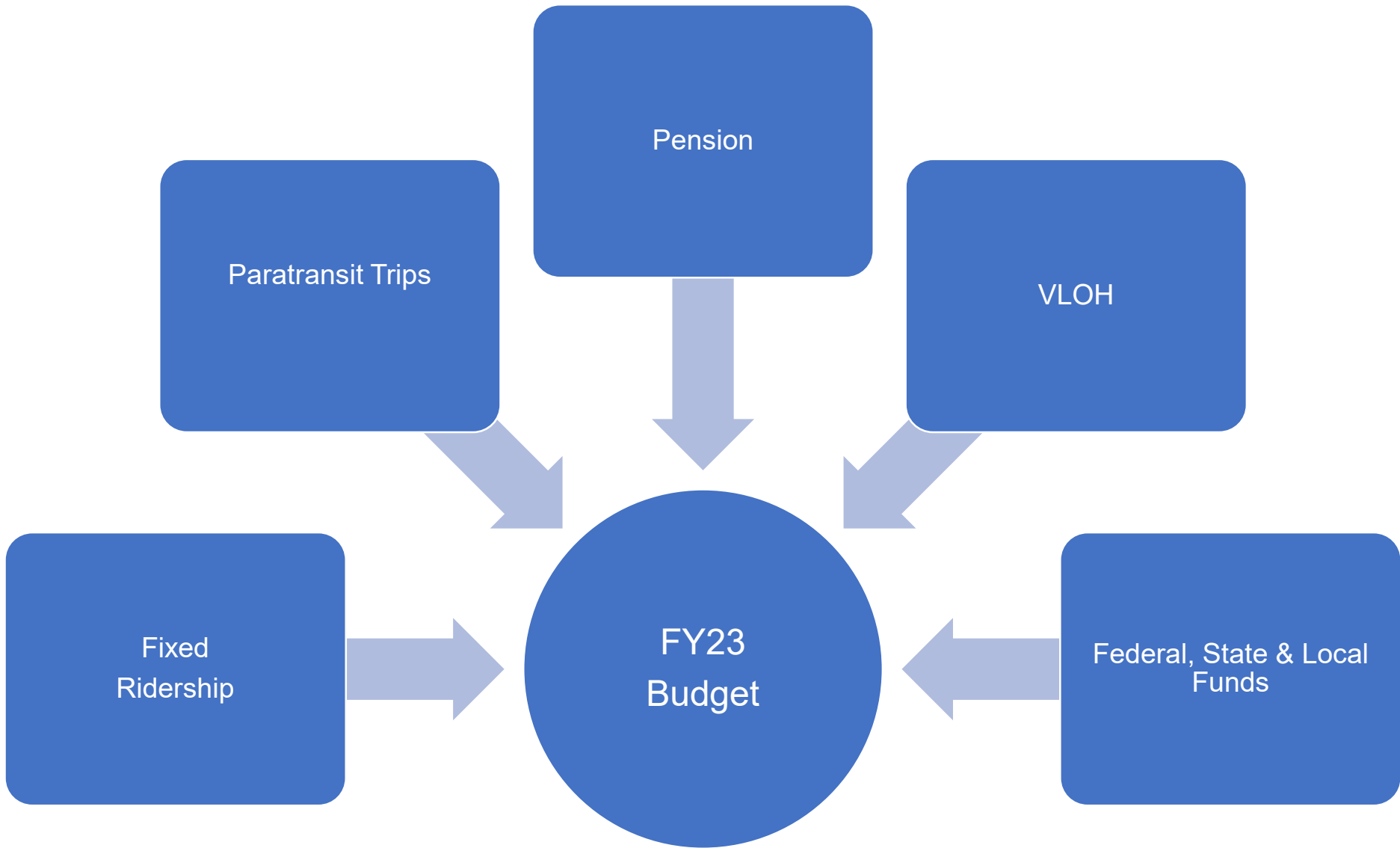


# ANNUAL FINANCIAL CALENDAR





# CONSIDERATIONS & ASSUMPTIONS





# OPERATING BUDGET AND MASS TRANSIT TRUST FUND

## BALANCE OF SERVICE ON STREET AND LONG TERM STABILITY

### FY20 Final

Operating: \$88,787,516  
MTTF Ending Balance: \$14,038,469

### FY21 Final

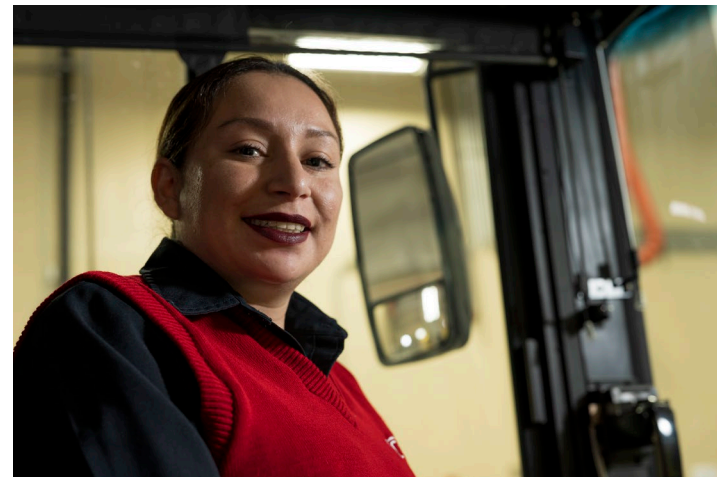
Operating: \$87,983,988  
MTTF Ending Balance: \$27,844,858

### FY22 Estimate

Operating: \$96,703,157  
MTTF Ending Balance: \$40,661,948

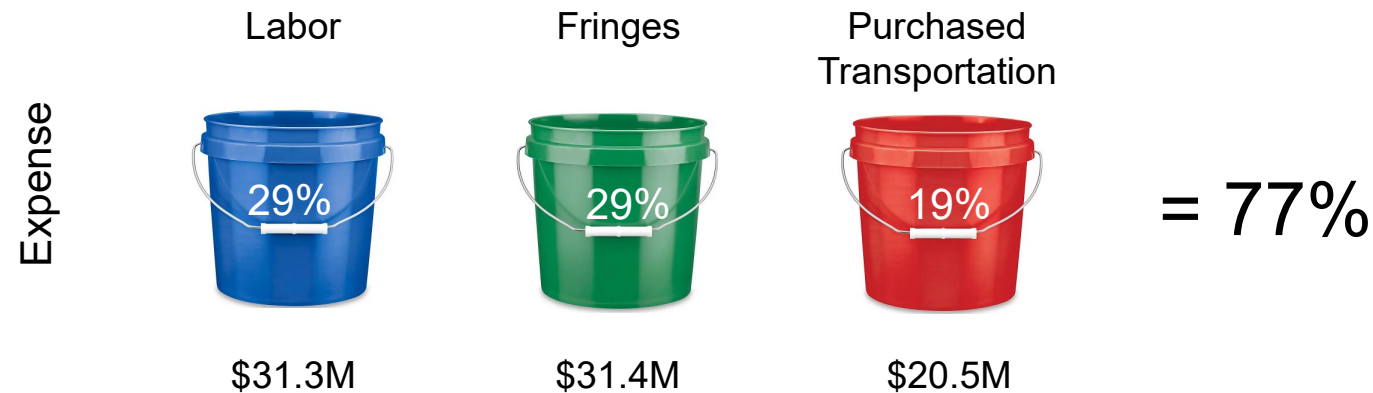
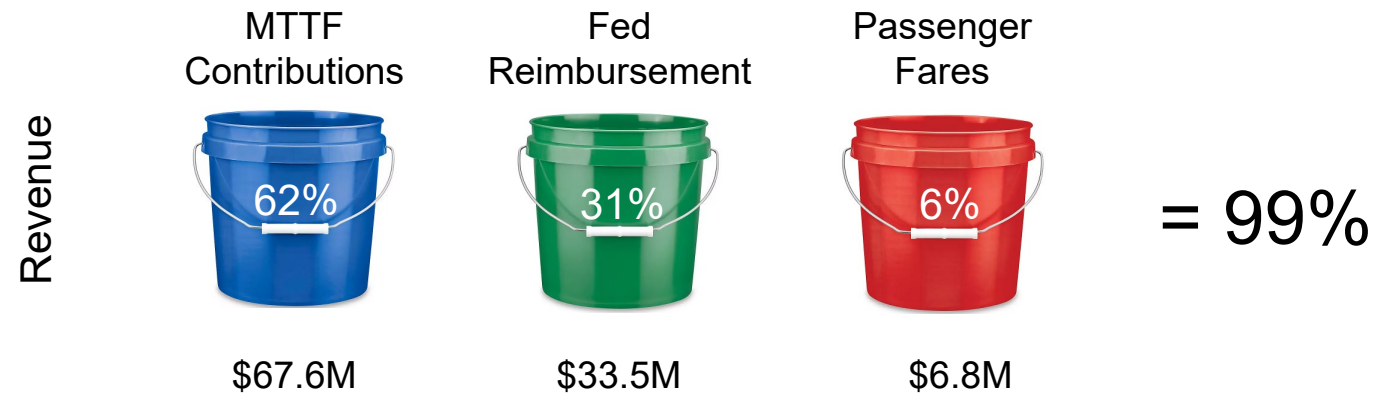
### FY23 Budget

Operating: \$102,839,230  
MTTF Ending Balance: \$40,661,948



# MAIN COMPONENTS OF THE BUDGET

## ONLY A FEW KEY DRIVERS WITH LARGE IMPACTS



# FY23 CAPITAL PROJECTS

## Key Projects and Estimated Cost

- Fleet Replacement \$13.9 M
  - 14 Clean Diesel, 8 Electric
- Transit ITS \$8.7 M
  - On-board systems replacement
- Facility Renovation at \$5.9 M
- Safety and Security Program at \$1.6 M

**And still catching up from years of deferred maintenance, aging facilities, and systems**







# FY23 CAPITAL PROGRAM

## Budgeted Capital and Capital Eligible Expense Reimbursements Fiscal Year 2023

|  | TOTAL      | FEDERAL    | MTTF      | STATE   | OTHER  | TOLL CREDITS |
|--|------------|------------|-----------|---------|--------|--------------|
| <b>Projects That Use Local Funds</b>                           |            |            |           |         |        |              |
| Paratransit Vehicles (Municipal Lease 5/3 add year)            | 121,697    | 0          | 121,697   | 0       | 0      | 0            |
| Sub-total  | 121,697    | 0          | 121,697   | 0       | 0      | 0            |
| <b>Projects That Use Formula Funds</b>                         |            |            |           |         |        |              |
| Purchase Fourteen (14) Clean Diesel Buses*                     | 7,238,000  | 5,790,400  | 1,447,600 | 0       | 0      | 0            |
| Bus Components   | 254,548    | 203,638    | 50,910    | 0       | 0      | 0            |
| Architectural & Engineering Services                           | 315,015    | 252,012    | 63,003    | 0       | 0      | 0            |
| Infotech Systems*  | 3,978,170  | 3,182,536  | 795,634   | 0       | 0      | 0            |
| Security Improvements*   | 1,577,862  | 1,262,290  | 315,572   | 0       | 0      | 0            |
| Support Vehicles*  | 154,555    | 123,644    | 30,911    | 0       | 0      | 0            |
| Facility Renovation Projects*                                  | 3,500,000  | 2,800,000  | 700,000   | 0       | 0      | 0            |
| Operations Planning - Broadway Corridor                        | 250,000    | 200,000    | 50,000    | 0       | 0      | 0            |
| Sub-total  | 17,268,150 | 13,814,520 | 3,453,630 | 0       | 0      | 0            |
| <b>Projects That Use Other (5339 &amp; Flex) Formula Funds</b> |            |            |           |         |        |              |
| Purchase Eight (8) Battery Electric Buses - Partial*           | 1,637,315  | 1,309,852  | 327,463   | 0       | 0      | 0            |
| Architectural & Engineering Services                           | 32,781     | 26,225     | 6,556     | 0       | 0      | 0            |
| Shop Equipment - Bus Lift Replacement*                         | 510,000    | 408,000    | 102,000   | 0       | 0      | 0            |
| Infotech Systems*  | 4,697,154  | 3,757,723  | 939,431   | 0       | 0      | 0            |
| Office Equipment   | 45,704     | 36,563     | 9,141     | 0       | 0      | 0            |
| Facility Renovation Projects*                                  | 2,397,294  | 1,917,835  | 479,459   | 0       | 0      | 0            |
| Transit Enhancements   | 492,607    | 394,086    | 19,704    | 0       | 78,817 | 0            |
| Transit Enhancements (TAP)                                     | 193,956    | 155,165    | 38,791    | 0       | 0      | 0            |
| Sub-total  | 10,006,811 | 8,005,449  | 1,922,545 | 0       | 78,817 | 0            |
| <b>Projects That Use Discretionary Funds</b>                   |            |            |           |         |        |              |
| Purchase Eight (8) Battery Electric Buses - Partial*           | 5,076,358  | 4,314,904  | 761,454   | 0       | 0      | 0            |
| Architectural & Engineering Services                           | 68,698     | 54,958     | 13,740    | 0       | 0      | 0            |
| Photovoltaic Power Projects                                    | 227,272    | 181,818    | 45,454    | 0       | 0      | 0            |
| Bus Charging Infrastructure*                                   | 1,264,336  | 1,102,402  | 161,934   | 0       | 0      | 0            |
| Project Management   | 195,500    | 156,400    | 39,100    | 0       | 0      | 0            |
| Sub-total  | 6,832,164  | 5,810,482  | 1,021,682 | 0       | 0      | 0            |
| SUB-TOTAL - All Capital Projects                               | 34,228,822 | 27,630,451 | 6,519,554 | 0       | 78,817 | 0            |
| <b>Capital Eligible Expense Reimbursements</b>                 |            |            |           |         |        |              |
|  | TOTAL      | FEDERAL    | MTTF      | STATE   | OTHER  | TOLL CREDITS |
| <b>Projects That Use Formula Funds</b>                         |            |            |           |         |        |              |
| Non-Fixed Route ADA Paratransit                                | 2,123,900  | 1,699,120  | 424,780   | 0       | 0      | 0            |
| Capital Cost of Contracting (Fixed Route)                      | 46,500     | 37,200     | 9,300     | 0       | 0      | 0            |
| Capital Maintenance  | 5,000,000  | 4,000,000  | 500,000   | 500,000 | 0      | 0            |
| Sub-total 5307 Formula Contributions                           | 7,170,400  | 5,736,320  | 934,080   | 500,000 | 0      | 0            |
| <b>Projects That Use CARES &amp; CRRSA Act Funds</b>           |            |            |           |         |        |              |
| CRRSA Act Emergency Operations                                 | 4,896,014  | 4,896,014  | 0         | 0       | 0      | 0            |
| ARP Act Emergency Operations                                   | 20,182,896 | 20,182,896 | 0         | 0       | 0      | 0            |
| Sub-total CARES Act Contributions                              | 25,078,910 | 25,078,910 | 0         | 0       | 0      | 0            |
| <b>Projects That Use CMAQ Funds</b>                            |            |            |           |         |        |              |
| Outer Loop Service   | 463,000    | 370,400    | 92,600    | 0       | 0      | 0            |
| Cross River Connector Service                                  | 800,000    | 640,000    | 160,000   | 0       | 0      | 0            |
| Sub-total CMAQ   | 1,263,000  | 1,010,400  | 252,600   | 0       | 0      | 0            |
| SUB-TOTAL - All Contributions to Operations                    | 33,512,310 | 31,825,630 | 1,186,680 | 500,000 | 0      | 0            |
| TOTAL  | 67,741,132 | 59,456,081 | 7,706,234 | 500,000 | 78,817 | 0            |

\*Prioritized TAM Plan Projects



## BIG \$\$ SWINGS!

### INTERNALLY AND EXTERNALLY

|   |              |
|---|--------------|
| Paratransit<br>+30% in trips v FY22 estimate                            | \$ 3.6M      |
| Experimental Service<br>Mobility On-Demand pilot                        | \$ 1.8M      |
| Reestablish Training Department<br>Reinvesting in our people            | \$ 500K      |
| Employee Rewards & Recognition<br>Acknowledging a job well done         | \$ 200K      |
| Implementation of TARC Linc (COA)<br>Moving forward on planning efforts | Cost neutral |
| Explore Fare Free Service<br>Pros and Cons                              | ( ~\$7M)     |





## FARE FREE... RECENT NEWS

---

**‘Better transit services not free service’:  
Springfield and PVTa support subsidized  
busing rather than free fare, as Boston makes  
three routes free**

### **MAYOR WU TAKES STEPS TO EXPAND FARE-FREE BUS SERVICE**

**Free transit had benefits but may  
not be sustainable, Worcester study  
concludes**

**Fare-free bus pilot expands as initial effort  
sees ridership boost**

**L.A. Just Ran (and Ended) the Biggest Free-Transit  
Experiment in the U.S.**

**Brampton Transit goes fare free for  
all local senior citizens**

**Riders say they want  
better service, not  
cheaper service.**

**Orange County Takes Free Public Transit Leap With  
‘Permanent’ Youth Bus Passes**

# FARE FREE... OPPORTUNITIES & OBSTACLES

## UNDERSTANDING ALL OF THE POTENTIAL OUTCOMES

### Opportunities

Increased Ridership

Reduction of Dwell Time

Customer Satisfaction

Streamlined Operational Efficiency

Community Value

Favorable Climate Impact



### Obstacles

Increased Security

Non-Destination Riders

Overcrowding

Increase in Operating Costs

Loss of Data

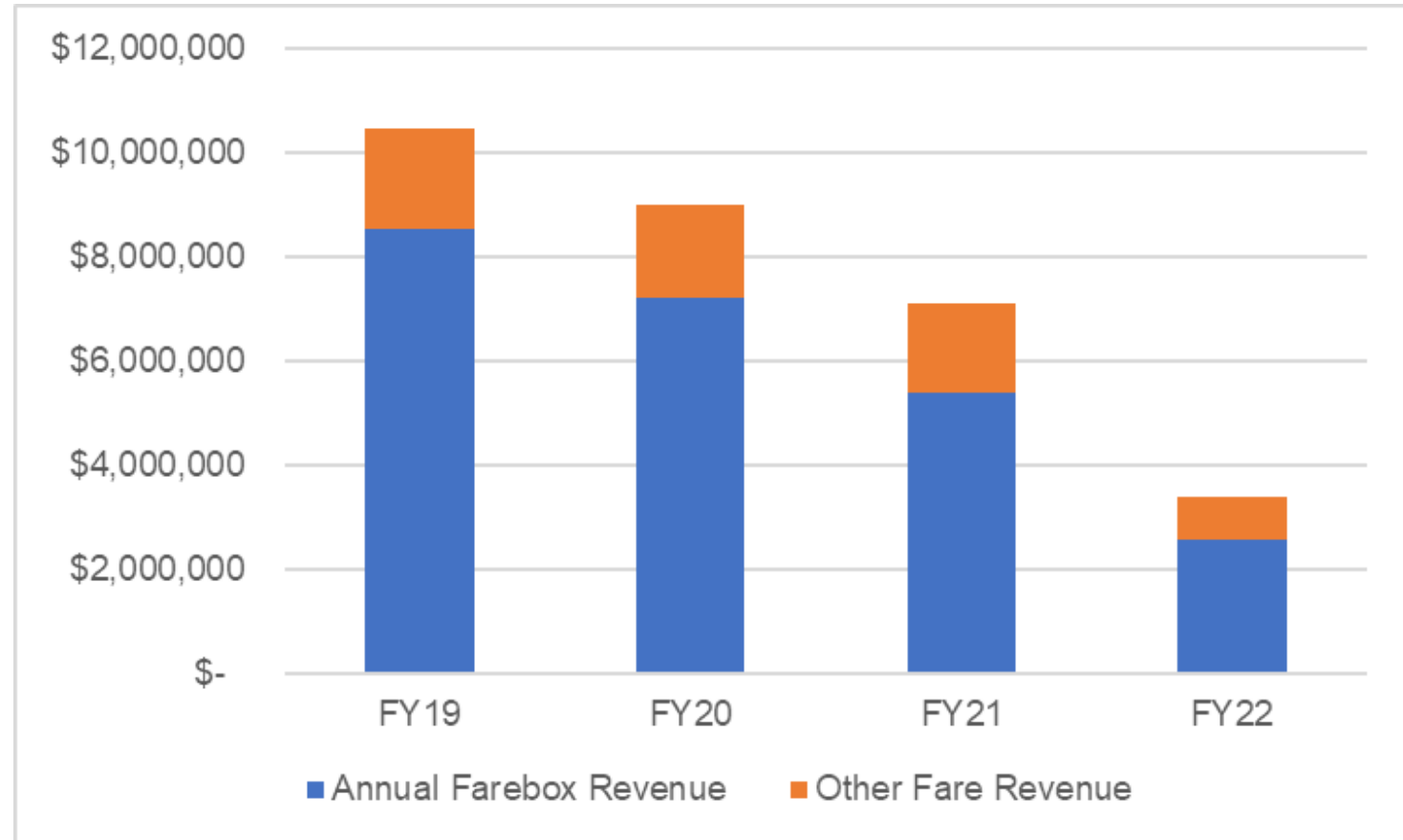
Loss of Revenue



## FARE FREE... BY THE NUMBERS (REVENUE)

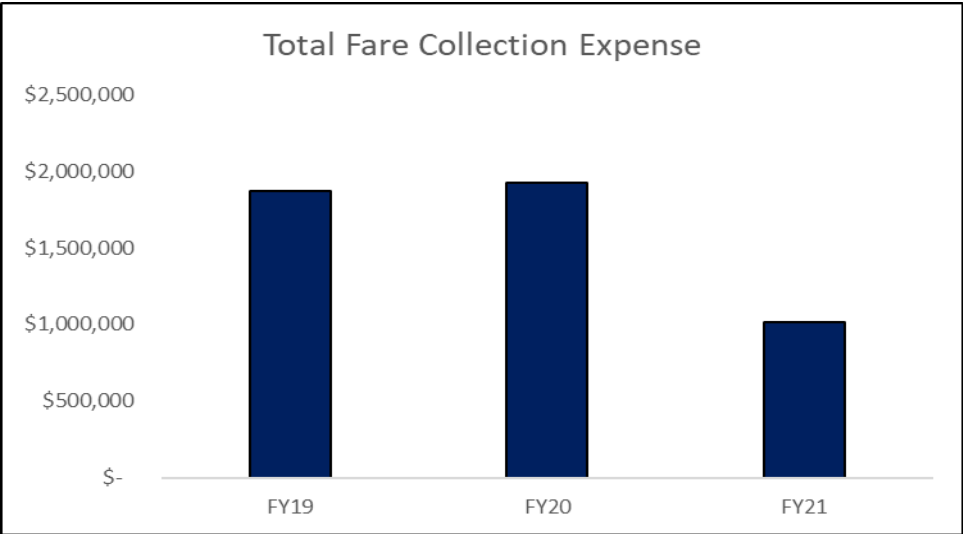
### UNDERSTANDING REVENUE IMPACT & COSTS OF FARE COLLECTION FY19-FY21

- Declining revenue at farebox due to decreased ridership over past three years
- Farebox recovery ratio at 5%; 10% in FY 2019
- Corporate and community partnership agreements also declined

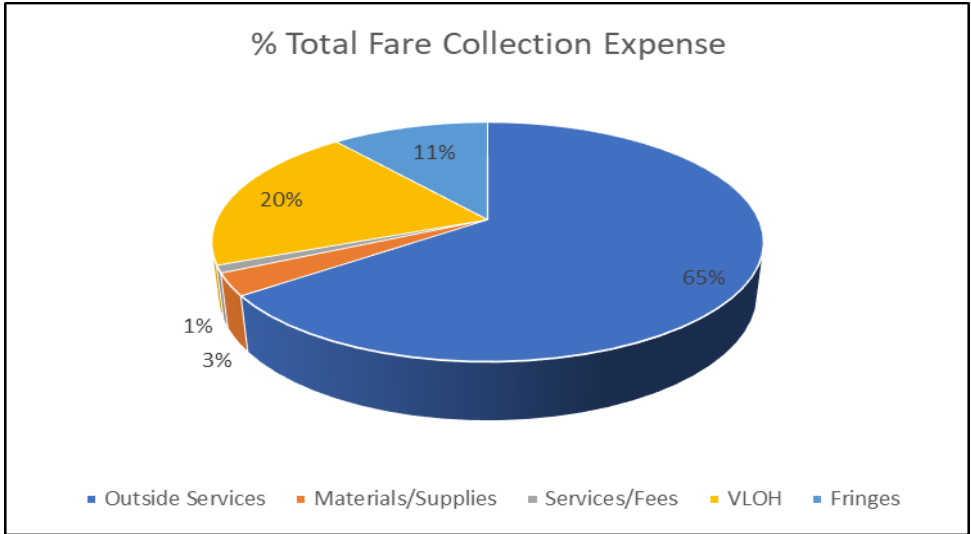


# FARE FREE... BY THE NUMBERS (EXPENSES)

## UNDERSTANDING REVENUE IMPACT & COSTS OF FARE COLLECTION FY19-FY21



Average Annual Collection Cost: \$1.6M

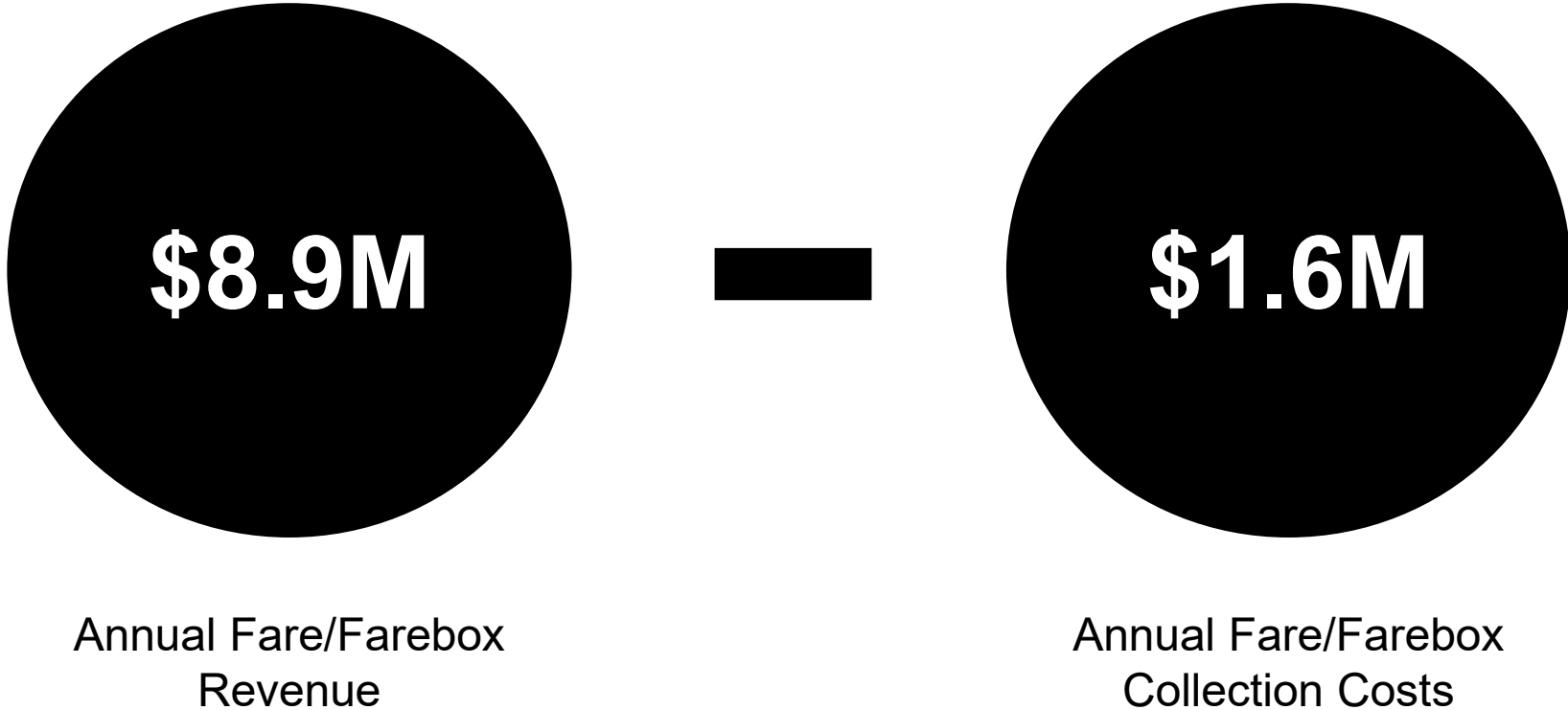


Outside Services: \$1.0M (65%)  
 VLOH: \$321K (20%)  
 Fringes: \$177K (11%)



# FARE FREE... BY THE NUMBERS

## UNDERSTANDING REVENUE IMPACT & COSTS OF FARE COLLECTION FY19-FY21



**Fare free would generate \$7.3M revenue gap**

# FARE FREE... INDUSTRY FINDINGS

---

## WHAT WE ARE SEEING

Legislation passed to subsidize transit fares

Many agencies focused on specific routes and demographics

Fare capping pilots

Simplification of fare structures

Need for greater involvement, wraparound services for non-destination riders



# FEDERAL REIMBURSEMENT FUNDS

## STRATEGIC FOCUS OF ONETIME REVENUE SOURCE

|         | TARC<br>Share | Actual<br>FY20 | Actual<br>FY21 | Estimate<br>FY22 | Budget<br>FY23 | Remaining<br>Balance |
|---------|---------------|----------------|----------------|------------------|----------------|----------------------|
| CARES*  | \$41,576,008  | \$4,341,151    | \$26,847,680   | \$10,387,177     | NA             | \$0                  |
| CRRSAA* | \$21,374,688  |                |                | \$16,478,674     | \$4,896,014    | \$0                  |
| ARP*    | \$48,293,376  |                |                |                  | \$20,182,896   | \$28,110,480         |

\* Coronavirus Aid, Relief, and Economic Security (CARES); Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA); and the American Rescue Plan (ARP)

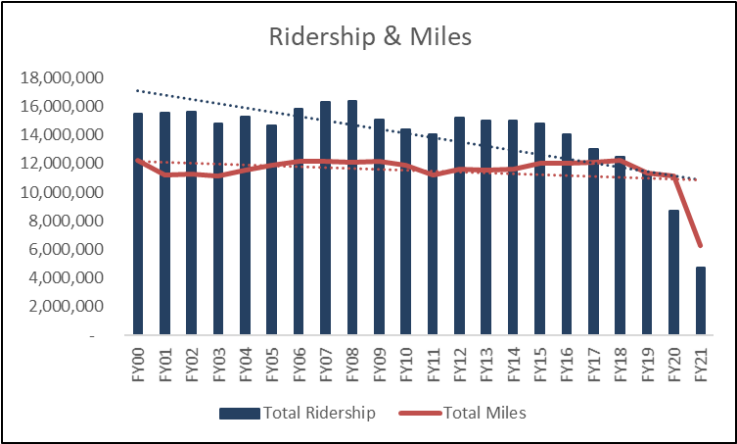


# 1<sup>ST</sup> DRAFT SUMMARY

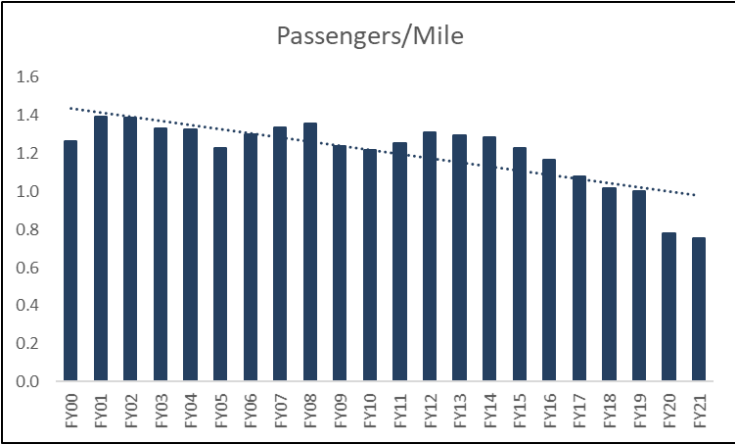
| BUDGET BY OBJECT CLASS                 | FY21<br>ACTUAL | FY22<br>BUDGET | FY22<br>ESTIMATE | FY23<br>BUDGET |          |
|--|----------------|----------------|------------------|----------------|----------|
| BEGINNING MTTF BALANCE                 | \$14,038,469   | \$14,038,469   | \$27,844,858     | \$40,661,948   | 46.03%   |
| OPERATING REVENUE                      |                |                |                  |                |          |
| FAREBOX                                | \$5,408,087    | \$5,562,597    | \$5,201,751      | \$5,305,786    | 2.00%    |
| SPECIAL FARES                          | \$1,717,095    | \$1,796,605    | \$1,466,695      | \$1,535,891    | 4.72%    |
| CHARTER                                | \$118,000      | \$150,000      | \$0              | \$0            | 0.00%    |
| ADVERTISING                            | \$634,167      | \$624,000      | \$644,167        | \$650,000      | 0.91%    |
| OTHER AGENCY REVENUES                  | \$276,388      | \$183,300      | \$213,300        | \$213,300      | 0.00%    |
| TOTAL RECOVERIES - INSURANCE           | \$110,420      | \$65,000       | \$55,000         | \$50,000       | -9.09%   |
| MTTF COLLECTIONS                       | \$63,731,732   | \$54,092,106   | \$65,643,684     | \$67,612,995   | 3.00%    |
| MTTF INTEREST                          | \$3,345        | \$2,000        | \$4,800          | \$5,040        | 5.00%    |
| STATE GOVERNMENT FUNDS                 | \$1,031,525    | \$1,103,856    | \$3,988,108      | \$1,276,642    | -67.99%  |
| FEDERAL REIMB. FUNDS-ACCESS TO JOBS    | \$232,322      | \$384,500      | \$232,322        | \$384,500      | 65.50%   |
| MTTF PRINCIPAL                         | (\$13,806,389) | \$0            | (\$12,817,090)   | \$0            | -100.00% |
| TOTAL REVENUES                         | \$59,456,692   | \$63,963,964   | \$64,632,737     | \$77,034,154   | 19.19%   |
| OPERATING EXPENSES                     |                |                |                  |                |          |
| DIRECT LABOR                           | \$28,968,059   | \$32,000,848   | \$32,296,347     | \$31,318,501   | -3.03%   |
| FRINGE BENEFITS:                       |                |                |                  |                |          |
| VAC/HOL/SICK/BDAY                      | \$5,107,394    | \$5,232,062    | \$5,296,430      | \$5,104,697    | -3.62%   |
| HEALTH/WELFARE/PENSION                 | \$23,644,133   | \$26,501,995   | \$26,650,780     | \$26,347,132   | -1.14%   |
| SERVICES                               | \$4,865,766    | \$5,639,222    | \$5,707,240      | \$6,713,100    | 17.62%   |
| MATERIAL&SUPPLIES                      | \$6,054,166    | \$7,458,185    | \$7,116,110      | \$7,440,936    | 4.56%    |
| UTILITIES                              | \$943,600      | \$1,016,796    | \$986,800        | \$1,035,600    | 4.95%    |
| CASUALTY&LIABILITY                     | \$3,200,840    | \$2,736,426    | \$2,926,430      | \$3,413,070    | 16.63%   |
| PURCHASED TRANSPORTATION               | \$14,817,237   | \$18,740,930   | \$15,142,590     | \$20,541,764   | 35.66%   |
| INTEREST EXPENSE                       | \$32,468       | \$7,860        | \$7,860          | \$2,660        | -66.16%  |
| OTHER EXPENSE                          | \$350,325      | \$621,820      | \$572,570        | \$921,770      | 60.99%   |
| TOTAL OPERATING EXPENSE                | \$87,983,988   | \$99,956,144   | \$96,703,157     | \$102,839,230  | 6.35%    |
| CAPITAL ELIGIBLE EXPENSE REIMBURSEMENT | (\$2,539,055)  | (\$7,982,265)  | (\$7,170,400)    | (\$8,433,400)  | 17.61%   |
| CARES ACT FUNDING                      | (\$26,847,680) | (\$13,000,563) | (\$10,387,177)   | \$0            | -100.00% |
| CRRSAA FUNDING                         | \$0            | (\$18,237,895) | (\$16,478,674)   | (\$4,896,014)  | -70.29%  |
| ARP                                    |                |                | \$0              | (\$20,182,896) | 0.00%    |
| SUBTOTAL                               | (\$29,386,735) | (\$39,220,723) | (\$34,036,251)   | (\$33,512,310) | -1.54%   |
| NET OPERATING EXPENSE                  | \$58,597,253   | \$60,735,421   | \$62,666,906     | \$69,326,920   | 10.63%   |
| MTTF CAPITAL SHARE                     | \$859,439      | \$3,228,543    | \$1,965,831      | \$7,707,234    | 292.06%  |
| TOTAL OPERATING/CAPITAL                | \$59,456,692   | \$63,963,964   | \$64,632,737     | \$77,034,154   | 19.19%   |
| ENDING MTTF BALANCE                    | \$27,844,858   | \$14,038,469   | \$40,661,948     | \$40,661,948   | 0.00%    |



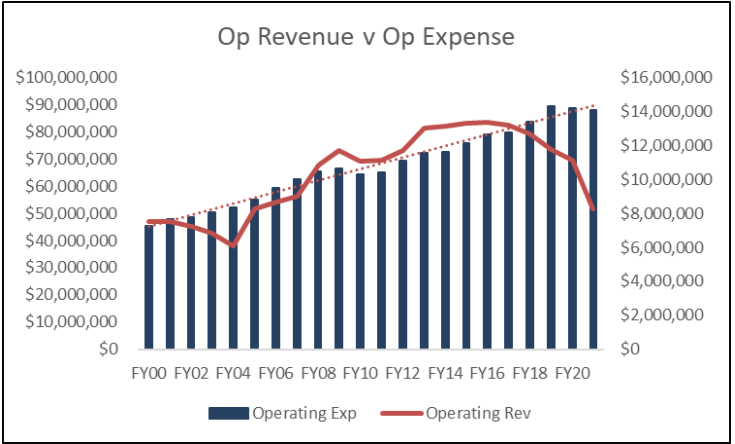
# HISTORICAL TRENDS



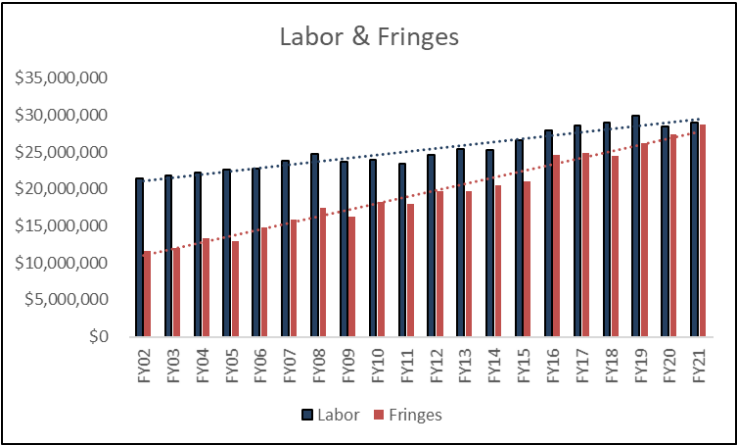
Ridership -27% from 00 to 19



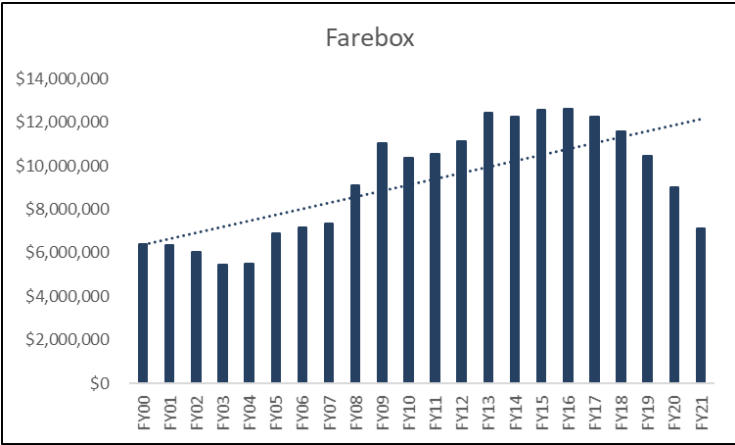
Passengers/Mile continues to decline



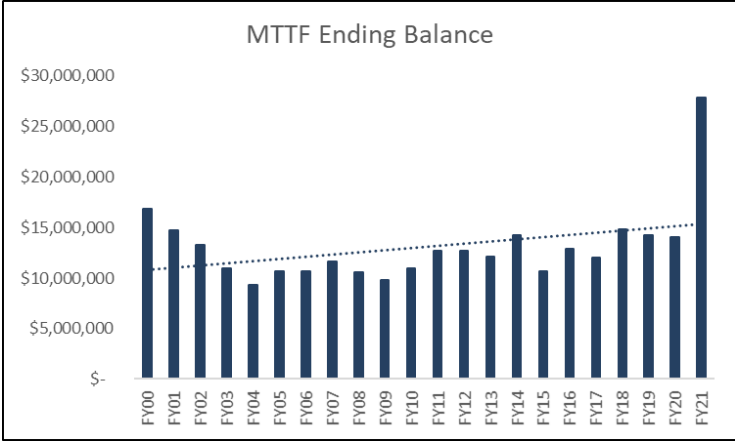
Expenses outpacing Op Rev



Labor +35%, Fringes +146% from 02 to 21



Farebox impacted by ridership and COVID



Stability needed for expiring stimulus funds





# FISCAL YEAR 2023 BUDGET INITIAL DRAFT OVERVIEW

---

March 16, 2022





# MEMORANDUM

**To:** John Launius, Chair of TARC Board of Directors

**From:** Carrie Butler, Executive Director

**Date:** March 22, 2022

**Re:** Resolution 2022-08 – Acquisition of ADA-Accessible Paratransit Vans

---

Last September the TARC Board approved resolution 2021-35, authorizing the acquisition of seven new cutaway buses for paratransit service at a price of \$77,932 each. Last month we were distressed to learn that due to delays in microchip delivery and other supply chain issues our supplier could not promise production of our new buses until the end of calendar year 2023. Worse, price increases from Ford (manufacturer of the chassis) and other component suppliers, the buses we ordered would now cost \$97,448 each. We have learned that with regard to cutaway buses for paratransit service these delays and price increases are universal. We cannot escape them by seeking a new contract.

What we can do for the short term is cancel the existing order for cutaways, and instead order additional ADA-accessible full-size vans exactly like those authorized by Board resolution 2021-34. Our contractor for those vehicles, Superior Van and Mobility, has affirmed that the price for those vehicles remains \$66,491. They also believe it is possible that we could still take delivery within 2022 if we place an additional order soon. These accessible vans, built on the full-size Ford Transit platform, do not have the same passenger capacity as the cutaway buses they would replace. However, given the current pressing need for paratransit vehicles and the extreme cost increase of cutaway type paratransit buses, TARC staff believe that the acquisition of additional ADA-accessible vans is preferable. It will require a change to contract P-2780 with Superior Van and Mobility, Inc., dated October 1, 2019 to increase the purchase options from 20 to 35.

With Board approval, the resolution is asking for authority to cancel the order for cutaways, and to utilize the \$560,000 set aside for their purchase to instead purchase ADA-accessible vans. At the current price of \$66,491, we would be able to buy eight (8) additional vans. In addition, we may have the ability to acquire four more from an award from Kentuckiana Regional Planning and Development Agency (KIPDA) of Surface Transportation Block Grant funds allocated to Indiana Department of Transportation. Assuming the transfer of those funds occurs in a timely fashion, we could purchase as many as thirteen (13) new ADA-accessible vans from Superior Van and Mobility.

Attached to this memo is a resolution requesting authority to increase the number of options associated with contract P-2780 with Superior Van and Mobility, Inc. from 20 to 35. The resolution also requests authority to place an additional order with Superior for thirteen (13) more ADA-accessible full-size vans for a total not-to-exceed \$884,746.00.

Please contact me at 561-5100 if you have any questions. Thank you.



## **RESOLUTION 2022-08**

### **Acquisition of ADA Accessible Paratransit Vans**

A Resolution authorizing the Executive Director to amend contract P-2780 with Superior Van and Mobility, Inc. to accommodate the purchase of thirteen (13) additional ADA-accessible full-size vans, and to purchase those additional vans at a total not-to-exceed \$884,746.00:

**WHEREAS**, due to significant production delays and price increases, TARC finds it expedient to cancel its order of seven (7) cutaway paratransit buses; and

**WHEREAS**, TARC staff recommend utilizing the funds allocated to the purchase of cutaways toward the purchase of ADA-accessible full-size vans, which can be delivered more than one year earlier and at substantially less cost; and

**WHEREAS**, TARC has received an award from KIPDA of \$324,746 in order to purchase vehicles for "Mobility on Demand Service"; and

**WHEREAS**, in September of 2019, TARC's Board of Directors approved a resolution authorizing the Executive Director to enter into contract P-2780 with Superior Van and Mobility, Inc. for the purchase of ADA-accessible full-size vans; and

**WHEREAS**, thirteen (13) ADA-accessible full-size vans are currently available for purchase by TARC from Superior Van and Mobility through contract P-2780 for approximately \$66,491 each;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Transit Authority of River City that:

The Executive Director is hereby authorized to amend contract P-2780 with Superior Van and Mobility, Inc. to accommodate the purchase of thirteen (13) additional ADA-accessible full-size vans, and to purchase those additional vans at a total not-to-exceed \$884,746.00.

**ADOPTED THIS 22<sup>nd</sup> DAY OF MARCH 2022**

---

**John Launius, Chair of the Board of Directors**



# MEMORANDUM

**To:** John Launius, Chair of TARC Board of Directors

**From:** Carrie Butler, Executive Director

**Date:** March 22, 2022

**Re:** Resolution 2022-03 AMMENDMENT Security Guard Services – Armed and Unarmed

---

The TARC Board of Directors authorized the award of Security Guard Services-Armed and Unarmed in January 2022 to Morgan Security and Allied Universal. During the course of contract negotiations, Allied Universal was not able to meet TARC's standard contract terms and this resolution seeks to award the full contract to Morgan Security.

Contract will be awarded as follows:

- Morgan Security to provide two (2) security guards at Union Station and Guard Shack (10<sup>th</sup> Street and 11<sup>th</sup> Street) building locations. Estimated hours of 31,200 with a not to exceed amount of \$863,486.00 for the term life of the contract; and
- Morgan Security to provide a security guard at the Maintenance and Customer Service on 29<sup>th</sup> Street building locations. Estimated hours of 11,440 with a not to exceed amount of \$279,136.00 for the term life of the contract.

This resolution requests that the Board of Directors authorize the Executive Director to enter into an agreement with an initial term of three (3) years and an option of two (2) one-year terms with Morgan Security with a not-to-exceed amount of \$1,142,622.

Please call me at 561-5100 if you have any questions. Thank you.



## **RESOLUTION 2022-03 Amended Security Guard Services Armed and Unarmed**

A Resolution authorizing the Executive Director to enter into an Initial Term of three (3) years with an Option of two (2) one-year terms:

**WHEREAS**, TARC seeks security service provider to provide and assist TARC with its safety and security guard surveillance services; and

**WHEREAS**, a competitive solicitation, request for proposal was requested on October 8, 2021; and

**WHEREAS**, TARC received a proposal from Morgan Security and was deemed responsive; and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Transit Authority of River City that:

The Executive Director is hereby authorized to enter into an Initial Term of three (3) years with an Option of two (2) one-year term contract with Morgan Security based upon proposed cost for a not-to-exceed amount of \$1,142,622.00.

**ADOPTED THIS 22nd DAY OF MARCH 2022**

---

**John Launius, Chair of the Board of Directors**