



2012 Budget Development

Presented by:

Gale Fisk – Executive Director - OMB

November 1, 2011



Schedule for 2012 Budget

<u>Activity</u>	<u>Date</u>
• Finance Committee Meeting	Oct. 11, 2011
• Finance Committee Meeting	Nov. 1, 2011
• Finance Committee Meeting	Nov. 15, 2011
• Public Hearing	Nov. 15, 2011
• Public Hearing	Dec. 6, 2011
• Board Meeting - Adoption	Dec. 6, 2011



2011 Budget- Revenues

	2011 Budget	2011 Estimate	Variance
Beginning Balance	\$8,871,812	\$20,373,004	\$11,501,192
Revenue			
Passenger Fares	\$49,127,933	\$49,127,933	\$0
Advertising & Concessions	\$750,000	\$741,500	-\$8,500
Sales & Use Tax	\$163,525,616	\$171,305,869	\$7,780,253
Operating Assistance - ARRA Federal Grants	\$0	\$0	\$0
Short Term Notes	\$0	\$0	\$0
CMAQ Reimbursement for the Healthline	\$7,205,000	\$8,605,000	\$1,400,000
Operating Assistance - Paratransit Operations	\$3,109,000	\$3,109,000	\$0
Ohio Elderly Fare Assistance	\$650,000	\$0	-\$650,000
State Funding Fuel Initiative	\$0	\$0	\$0
Operating Assistance - Trolley Operations	\$980,980	\$980,980	\$0
Access to Jobs Program	\$2,034,466	\$2,034,466	\$0
Investment Income	\$112,493	\$121,564	\$9,071
Other Revenue	\$1,200,000	\$1,167,500	-\$32,500
Reimbursed Expenditures	\$32,561,100	\$24,000,000	-\$8,561,100
Weekly Shopper Service			
Total Revenue	\$261,286,588	\$261,193,812	-\$92,776
Total Resources	\$270,158,400	\$281,566,816	\$11,408,416



2011 Budget Revenue Trend

Sales Tax			
2008	2009	2010	2011
\$173.6	\$154.6	\$163.2	\$171.3
Reimbursed Expenditures			
2008	2009	2010	2011
\$35.6	\$33.5	\$39.2	\$24.0



2011 Budget- Expenditures

	2011 Budget	2011 Estimate	Variance
Operating Expenditures			
Personnel Services	\$168,180,247	\$158,877,298	-\$9,302,949
Diesel Fuel	\$10,972,500	\$10,423,161	-\$549,339
Other Expenditures	\$46,721,832	\$46,065,904	-\$655,928
Total Operating Expenditures	\$225,874,579	\$215,366,363	-\$10,508,216
Short Term Notes Payment	\$0	\$0	\$0
Transfer to the Insurance Fund	\$3,250,000	\$2,250,000	-\$1,000,000
Transfer to the Pension Fund	\$100,000	\$100,000	\$0
Transfers to Capital			
Bond Retirement Fund	\$19,181,632	\$19,793,855	\$612,223
Capital Improvement Fund	\$12,101,441	\$12,754,337	\$652,896
Total Transfers to Capital	\$31,283,073	\$32,548,192	\$1,265,119
Total Expenditures	\$260,507,652	\$250,264,555	-\$10,243,097
Reserved Funds	\$0	\$5,869,000	\$5,869,000
Available Ending Balance	\$9,650,748	\$25,433,261	\$15,782,514



2011 Budget Expenditure Trend

Personnel Services			
2008	2009	2010	2011
\$173.6	\$176.3	\$157	\$158.9
Fuel			
2008	2009	2010	2011
\$19.3	\$17.4	\$8	\$10.3
Total Operating Expenditures			
2008	2009	2010	2011
\$240	\$238.5	\$208.1	\$215.4



2012 Budget- Revenues

	2011 Estimate	2012 Budget	Variance
Beginning Balance	\$20,373,004	\$31,302,261	\$10,929,257
Revenue			
Passenger Fares	\$49,127,933	\$49,864,852	\$736,919
Advertising & Concessions	\$741,500	\$900,000	\$158,500
Sales & Use Tax	\$171,305,869	\$173,875,457	\$2,569,588
Operating Assistance - ARRA Federal Grants	\$0	\$0	\$0
Short Term Notes	\$0	\$0	\$0
CMAQ Reimbursement for the Healthline	\$8,605,000	\$0	-\$8,605,000
Operating Assistance - Paratransit Operat	\$3,109,000	\$3,089,000	-\$20,000
Ohio Elderly Fare Assistance	\$0	\$0	\$0
State Funding Fuel Initiative	\$0	\$0	\$0
Operating Assistance - Trolley Operations	\$980,980	\$0	-\$980,980
Access to Jobs Program	\$2,034,466	\$1,800,000	-\$234,466
Investment Income	\$121,564	\$110,000	-\$11,564
Other Revenue	\$1,167,500	\$1,000,000	-\$167,500
Reimbursed Expenditures	\$24,000,000	\$24,750,000	\$750,000
Weekly Shopper Service	\$0	\$0	\$0
Total Revenue	\$261,193,812	\$255,389,309	-\$5,804,503
Total Resources	\$281,566,816	\$286,691,570	\$5,124,754



2012 Budget Revenue Trend

Sales Tax		
2011	2012	
\$171.3	\$173.9	↑1.5%



2012 Budget- Expenditures

	2011 Estimate	2012 Budget	Variance
Operating Expenditures			
Personnel Services	\$158,877,298.00	169,607,459	\$10,730,161.00
Diesel Fuel	\$10,423,161.00	12,803,912	\$2,380,751.00
Other Expenditures	\$46,065,904.00	48,496,330	\$2,430,426.00
Total Operating Expenditures	\$215,366,363.00	230,907,701	\$15,541,338.00
Short Term Notes Payment	\$0.00	0	\$0.00
Transfer to the Insurance Fund	\$2,250,000.00	2,700,000	\$450,000.00
Transfer to the Pension Fund	\$100,000.00	100,000	\$0.00
Transfers to Capital			
Bond Retirement Fund	\$19,793,855.00	20,736,892	\$943,037.00
Capital Improvement Fund	\$12,754,337.11	11,777,818	-\$976,518.65
Total Transfers to Capital	\$32,548,192.11	32,514,710	-\$33,481.65
Total Expenditures	\$250,264,555.11	266,222,411	\$15,957,856.35



Personnel Services

2011	2012	
\$158.9 M	\$169.6 M	\$+10.7 M

- Annualize 1.75%
- 2012 Wage 3.00%
- Vacancies at 131
- Automatic Step Increases
- Service Increase
- Fringe Benefits



Area of Expenditure Growth

Areas of Expenditure Growth 2012 Budget			
2011 Projected Operating Expenses		\$215,366,363	
Compensation Issues		\$ 10,730,160	4.98%
Service Increase (Labor)	\$ 2,626,897		
Hourly & Salary Labor Increase	\$ 4,202,977		
Fringe Benefits	\$ 3,961,434		
Unemployment Compensation	\$ (61,148)		
Fuel / Utilities		\$ 1,681,305	0.78%
Diesel Fuel	\$ 2,380,752		
Other Fuel / Utilities	\$ (699,447)		
Service Opportunities		\$ 2,784,194	1.29%
ADA Purchased Transportation	\$ 1,487,043		
Services	\$ 737,332		
Materials & Supplies	\$ 559,819		
Inventory	\$ -		
Administration Changes		\$ 345,680	0.16%
Workers' Compensation	\$ 333,442		
Property Tax	\$ 3,270		
Other (Net)	\$ 8,968		
Expenditure Growth		\$ 15,541,339	7.22%
2011 Budgeted Operating Expenditures		\$230,907,702	



Personnel Activity

2012 Budget		
2011 Budget		2,232
Operations		46
Key Personnel	40	
Support Personnel	6	
Service / Support		3
DGM / Staff Reorganization	3	
Administrative Staff		1
DGM / Staff Reorganization	6	
Key Personnel	4	
Reduction in Executive	(9)	
2012 Budget		2,282



Capital Improvement Plan

2012-2016 CAPITAL IMPROVEMENT PLAN						
BUDGET AUTHORITY						
PROJECT CATEGORY	Budget 2012	Prog. 2013	Prog. 2014	Prog. 2015	Prog. 2016	TOTAL
Bus Garages	\$0	\$0	\$0	\$0	\$0	\$0
Buses	\$0	\$13,705,000	\$13,705,000	\$12,500,000	\$0	\$39,910,000
Equipment & Vehicles	\$3,029,500	\$4,159,000	\$1,580,000	\$2,003,000	\$829,500	\$11,601,000
Facilities Improvements	\$3,955,900	\$4,194,250	\$6,075,000	\$4,105,100	\$4,980,000	\$23,310,250
Other Projects	\$32,908,032	\$37,484,320	\$37,453,135	\$37,697,435	\$37,633,385	\$183,176,307
Rail Projects	\$13,665,155	\$13,310,465	\$41,247,250	\$45,187,350	\$26,934,600	\$140,344,820
Transit Centers	\$7,918,300	\$1,707,000	\$338,000	\$345,000	\$338,000	\$10,646,300
TOTALS	\$61,476,887	\$74,560,035	\$100,398,385	\$101,837,885	\$70,715,485	\$408,988,677



Financial Policy Objectives

2012 Budget								
Financial Policy Objectives								
	Goal	2009 Actual	2010 Actual	2011 Estimate	2012 Budget	2013 Budget	2014 Budget	
Operating Efficiency	Operating Ratio	> 25%	21.8%	23.8%	23.3%	22.2%	22.2%	22.2%
	Cost/Hour of Service		\$115.0	\$121.6	\$126.8	\$128.1	\$128.9	\$129.7
	Growth per Year	≤ Rate of Inflation	9.1%	5.7%	4.2%	1.0%	0.6%	0.6%
	Operating Reserve (Months)	≥ 1 month	0.1	1.2	1.8	1.1	0.6	0.2
Capital Efficiency	Debt Service Coverage	> 1.5	1.14	2.05	2.57	1.99	1.57	1.15
	Sales Tax Contribution to Capital	10% - 15%	18.0%	18.3%	19.0%	18.7%	18.2%	17.9%
	Capital Maintenance to Expansion	75% - 90%	95.6%	99.0%	96.9%	83.3%	88.1%	69.1%
End of Year Reserved Funds	Fuel Reserve Funds	Fuel Budget less Annual Expenditures	\$0.0	\$1.39	\$1.99	\$1.99	\$1.99	\$1.99
	Compensated Absences Reserve Funds	< 25% of Accrued Liability	\$0.0	\$1.25	\$1.88	\$1.88	\$1.88	\$1.88
	Hospitalization Reserve Funds	< 10% of Annual Hospitalization Costs	\$0.0	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00

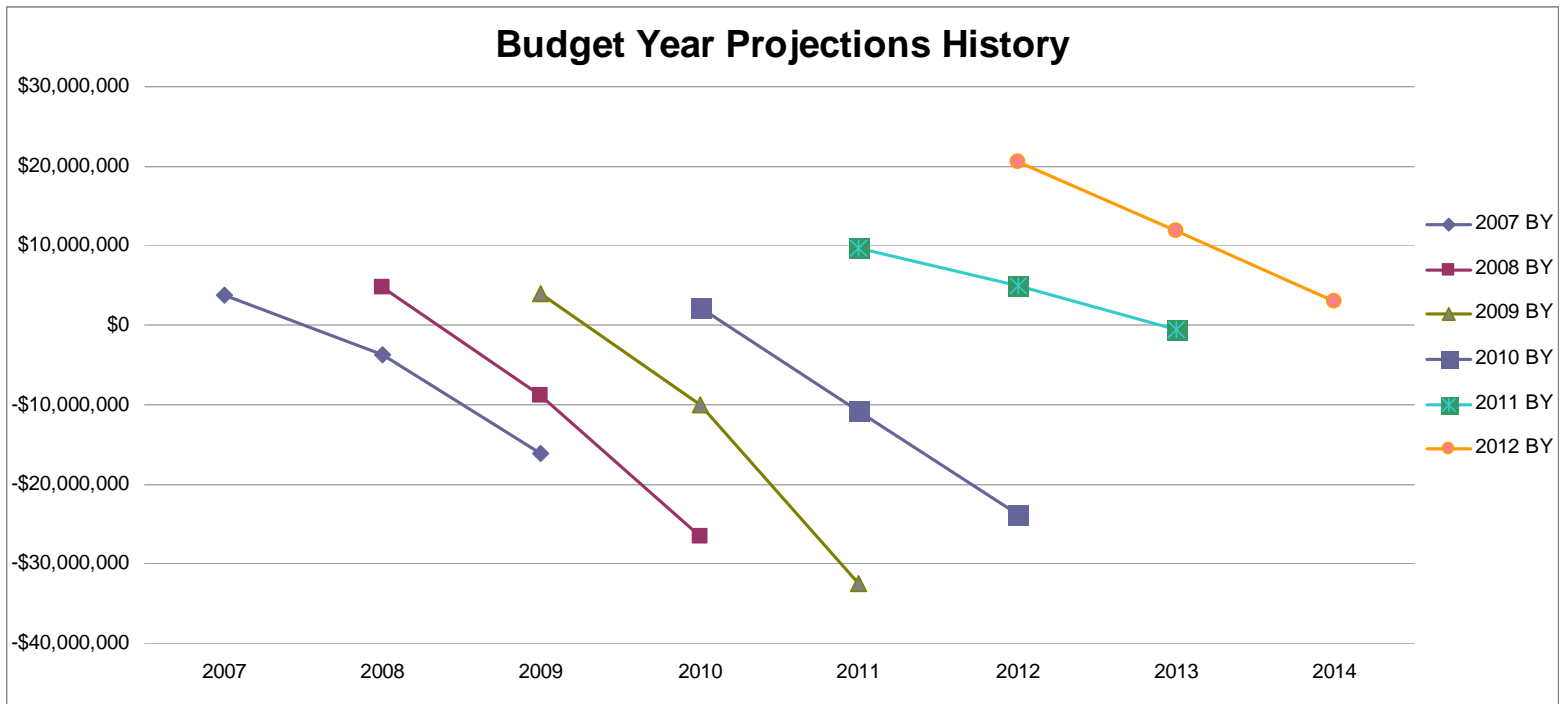
Budget Outlook



	2012 Budget	2013 Budget	2014 Budget
Beginning Balance	\$31,302,261	\$20,469,158	\$11,912,694
Revenue			
Passenger Fares	\$49,864,852	\$50,612,825	\$51,372,017
Advertising & Concessions	\$900,000	\$900,000	\$900,000
Sales & Use Tax	\$173,875,457	\$176,483,589	\$179,130,843
Operating Assistance - ARRA Federal Grants	\$0	\$0	\$0
Short Term Notes	\$0	\$0	\$0
CMAQ Reimbursement for the Healthline	\$0	\$0	\$0
Operating Assistance - Paratransit Operations	\$3,089,000	\$3,089,000	\$3,089,000
Ohio Elderly Fare Assistance	\$0	\$0	\$0
State Funding Fuel Initiative	\$0	\$0	\$0
Operating Assistance - Trolley Operations	\$0	\$0	\$0
Access to Jobs Program	\$1,800,000	\$2,034,466	\$2,034,466
Investment Income	\$110,000	\$143,000	\$185,900
Other Revenue	\$1,000,000	\$1,000,000	\$1,000,000
Reimbursed Expenditures	\$24,750,000	\$28,000,000	\$28,000,000
Weekly Shopper Service	\$0	\$0	\$0
Total Revenue	\$255,389,309	\$262,262,880	\$265,712,226
Total Resources	\$286,691,570	\$282,732,038	\$277,624,920
Operating Expenditures			
Personnel Services	\$169,607,459	\$172,999,608	\$176,459,600
Diesel Fuel	\$12,803,912	\$14,084,303	\$14,365,989
Other Expenditures	\$48,496,330	\$48,544,826	\$48,593,371
Total Operating Expenditures	\$230,907,701	\$235,628,738	\$239,418,961
Short Term Notes Payment	\$0	\$0	\$0
Transfer to the Insurance Fund	\$2,700,000	\$2,900,000	\$3,050,000
Transfer to the Pension Fund	\$100,000	\$100,000	\$100,000
Transfers to Capital			
Bond Retirement Fund	\$20,736,892	\$20,706,092	\$20,735,276
Capital Improvement Fund	\$11,777,818	\$11,484,515	\$11,275,406
Total Transfers to Capital	\$32,514,710	\$32,190,607	\$32,010,682
Total Expenditures	\$266,222,411	\$270,819,344	\$274,579,642
Ending Balance	\$20,469,158	\$11,912,694	\$3,045,278
Reserved Funds	\$5,869,000	\$5,869,000	\$5,869,000
Available Ending Balance	\$14,600,158	\$6,043,694	-\$2,823,722



Sustainable Budget





Comments / Questions