

To: ITP Board

From: Alan Hartley

Date: May 13, 2008

Re: Fiscal Year 2009 – Budget Formulation Guidelines

In February 2001, the ITP Board began a process of reviewing and approving guidelines to be followed during the formulation of the annual budget. This initial step in the budget process has led to productive discussion and expedited budget approval.

The following are the Fiscal Year 2009 budget formulation guidelines for Board consideration:

- A “current service” budget will be prepared. **Current services include Comprehensive Operational Analysis service enhancements to be implemented in August 2008.**
- Projected cash balance shall not fall below 5% of budgeted annual expenses or exceed 25% of budgeted annual expenses.
- Contribution to the administrative employee defined benefit pension plan shall be the high-range contribution. This contribution reflects a ten (10) year payment on the unfunded actuarial liability plus normal cost and interest.
- Up to **\$1.3 million** in Section 5307 grant funds (over and above the amounts typically used in the operating budget) may be utilized to balance the budget. This is the amount currently programmed in the FY 2008 Section 5307 grant.
- The goal shall be that all contracts for service with the ITP be self-supporting. No locally derived ITP funds shall be used to subsidize these services, unless specifically approved by the Board.
- State Operating Assistance will be budgeted at 29.5% of eligible expenses (currently 30.62%).
- Unrestricted net assets shall not be used to balance the budget.

INTERURBAN TRANSIT PARTNERSHIP BOARD

RESOLUTION NO. 34

Fiscal Year 2008

Moved and supported to adopt the following resolution:

Adoption of FY 2009 budget formulation guidelines.

BE IT RESOLVED that the Interurban Transit Partnership Board has reviewed and hereby adopts the FY 2009 budget formulation guidelines, as presented to the ITP Board on May 28, 2008.

CERTIFICATE

The undersigned, duly qualified and acting Secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

Robin Crothers
Robin Crothers, ITP Board Secretary

May 28, 2008
Date

COSTING OF CONTRACT SERVICES - FY 2009

LINEHAUL

| | | | |
|--------------------------------|---------------------|---------------------------------|---------------------------------|
| Total Actual Vehicle Hours | 312,319 | | |
| Total Actual Revenue Hours | 298,335 | | |
| | | Cost per <u>Vehicle Hour</u> | Cost per <u>Revenue Hour</u> |
| Operations | \$14,062,500 | \$45.03 | \$47.14 |
| Maintenance | \$3,835,459 | \$12.28 | \$12.86 |
| Admin/Planning/Marketing | \$5,909,870 | \$18.92 | \$19.81 |
| Total Linehaul | \$23,807,829 | \$76.23 | \$79.80 |
| Less: State Operating (option) | | \$54.12 | \$56.66 |

PARATRANSIT

| | | | |
|---|---------------------|--|--|
| | | Go! Bus Mandated Purch. Transport. Cost as a % of <u>Linehaul Costs</u> | |
| Administration | \$461,822 | | |
| Go! Bus Purchased Transportation | \$3,436,951 | | |
| Total Paratransit | \$3,898,773 | 16.38% | |
| | | Cost per Vehicle Hour + 16.38% for <u>Mandated Go! Bus</u> | Cost per Revenue Hour + 16.38% for <u>Mandated Go! Bus</u> |
| Total Linehaul & Mandated Paratransit Operating Expenses | \$27,706,602 | \$88.72 | \$92.87 |
| Less: State Operating (option) | | \$62.99 | \$65.94 |

Total operating expenses do not include Specialized Services, Rideshare, JARC, Depreciation, or other paratransit programs.

Service Statistics used in this analysis can be found in the 2007 National Transit Database Report.

Financial information taken from ITP Financial Statements year ended September 30, 2007.

State Operating revenue calculated using rate of 29%.

**INTERURBAN TRANSIT PARTNERSHIP
PERSONNEL AUTHORIZATION COMPARISON
FY 2009 BUDGET**

| <u>Positions</u> | <u>FY 2008 Authorized</u> | <u>FY 2008 Current (6/30/08)</u> | <u>FY 2009 Proposed</u> | |
|----------------------------------|-------------------------------|--|-----------------------------|--|
| Senior Managers | 13 | 12 | 13 | |
| Supervisors & Admins. | | | | |
| Operations | 14 | 14 | 14 | |
| Administration | 4 | 4 | 4 | |
| Professionals | | | | |
| Operations | 2 | 2 | 2 | |
| Administration | 3 | 3 | 3 | |
| Service Development | 1 | 1 | 1 | |
| Customer Svc./Marketing | 1 | 0 | 1 | Public Relations Coordinator position frozen |
| Planning & Grants | 3 | 2 | 3 | Long Range Planner position frozen |
| Special Services | 1 | 1 | 1 | |
| Call Takers/Schedulers | | | | |
| Special Services | 8 D | 8 D | 8 D | |
| Administrative Support | | | | |
| Operations | 4 | 4 | 4 | |
| Administration | 5 C | 5 C | 5 C | |
| Customer Svc./Marketing | 5 | 5 | 5 | |
| Special Services | 2 | 2 | 2 | |
| Total Admin. Personnel | 66 | 63 | 66 | |
| Bus Operators - Full Time | 184 | 189 | 193 | |
| Bus Operators - Part Time | 20 | 21 | 20 | |
| Mechanics - Fleet | 27 | 27 | 27 | |
| Mechanics - Facilities | 4 | 4 | 4 | |
| Total Union Personnel | 235 | 241 | 244 | |
| TOTAL PERSONNEL | 301 | 304 | 310 | |

A - Includes 1 part time employee
 B - Includes 2 part time employee
 C - Includes 3 part time employees
 D - Includes 4 part time employees
 E - Includes 5 part time employees

Int'l ban Transit Partnership
Cash Flow Projection through FY 2009
 based on FY 09 proposed budget

| | Beginning Cash Balance | | Cash - In | | Cash - Out | | Beginning Cash Balance |
|----------------------------------|------------------------|---------------------|------------------|--|------------|--------------|---|
| | Property Taxes | All Other G.O. Rev. | All G.O. Expend. | | | | |
| Balance of Fiscal Year 08 | | | | | | | |
| July | \$599,507 | \$1,508,185 | \$2,236,892 | | | \$2,549,063 | |
| Aug | 4,783,368 | \$1,508,185 | \$2,236,892 | | | 6,603,724 | |
| Sep | 6,301,201 | \$1,508,184 | \$2,236,891 | | | 12,176,218 | |
| | | | | | | | 12,755,534 estimated 08 levy |
| Fiscal Year 09 | | | | | | | |
| Oct | \$357,153 | \$1,728,069 | \$2,833,543 | | | \$11,427,897 | |
| Nov | 127,555 | \$1,728,069 | \$2,833,543 | | | 10,449,978 | |
| Dec | 89,288 | \$1,728,069 | \$2,833,543 | | | 9,433,792 | |
| Jan | 63,777 | \$1,728,069 | \$2,833,543 | | | 8,392,095 | |
| Feb | 63,777 | \$1,728,069 | \$2,833,543 | | | 7,350,398 | |
| Mar | 25,511 | \$1,728,069 | \$2,833,543 | | | 6,270,435 | |
| Apr | 12,755 | \$1,728,069 | \$2,833,543 | | | 5,177,716 | |
| May | 12,755 | \$1,728,069 | \$2,833,543 | | | 4,084,997 | |
| June | 318,887 | \$1,728,069 | \$2,833,543 | | | 3,298,410 | |
| July | 623,487 | \$1,728,069 | \$2,833,543 | | | 2,816,423 | |
| Aug | 4,974,632 | \$1,728,069 | \$2,833,543 | | | 6,685,581 | |
| Sep | 6,553,248 | \$1,728,069 | \$2,833,540 | | | 12,133,358 | |
| | | | | | | | 13,222,825 projected collections during fy09 |
| | | | | | | | 34,002,513 fy09 proposed budget |

For purposes of preparing this statement, projected totals were used to complete FY08.

Straightline projections for all general operating expenses and for general operating revenues except for property taxes which were based on past averages.

INTERURR - TRANSIT PARTNERSHIP
 OPERATING EXPENSE BY CATEGORY
 FY 2009 BUDGET

| | FY 2007 ACTUAL | FY 2008 ADOPTED BUDGET | FY 2008 AMENDED BUDGET | FY 2008 PROJECTED ACTUAL | FY 2009 CURRENT SERVICE BUDGET | FY 2009 CURRENT SERVICE BUDGET W/FARE INCREASE | FY 2009 CURRENT SERVICE BUDGET W/FARE INCREASE AND ELIMINATE AIRPORT SHUTTLE |
|--|---------------------|------------------------------|------------------------------|--------------------------------|---|---|---|
| LABOR: | | | | | | | |
| Administrative Salaries | \$2,442,775 | \$2,656,148 | \$2,633,251 | \$2,633,251 | \$2,761,418 | \$2,761,418 | \$2,761,418 |
| Driver Wages | \$6,417,373 | \$6,603,362 | \$6,970,658 | \$6,970,658 | \$8,184,942 | \$8,184,942 | \$8,184,942 |
| Mechanics Wages | \$1,059,278 | \$1,182,658 | \$1,143,535 | \$1,143,535 | \$1,218,263 | \$1,218,263 | \$1,218,263 |
| TOTAL LABOR | \$9,919,426 | \$10,442,168 | \$10,747,444 | \$10,747,444 | \$12,164,623 | \$12,164,623 | \$12,164,623 |
| FRINGE BENEFITS: | | | | | | | |
| FICA | \$849,568 | \$899,930 | \$926,430 | \$926,430 | \$1,032,842 | \$1,032,842 | \$1,032,842 |
| Pension | \$878,553 | \$816,413 | \$816,413 | \$816,413 | \$839,704 | \$839,704 | \$839,704 |
| Group Medical | \$2,087,017 | \$2,488,885 | \$2,369,796 | \$2,369,796 | \$2,757,568 | \$2,757,568 | \$2,757,568 |
| Unemployment Insurance | \$110,862 | \$115,254 | \$115,254 | \$115,254 | \$126,999 | \$126,999 | \$126,999 |
| Workers Compensation | \$534,189 | \$550,000 | \$508,477 | \$508,477 | \$500,000 | \$500,000 | \$500,000 |
| Sick Leave | \$157,313 | \$143,569 | \$143,569 | \$143,569 | \$148,500 | \$148,500 | \$148,500 |
| Holiday | \$267,901 | \$293,871 | \$293,871 | \$283,368 | \$319,736 | \$319,736 | \$319,736 |
| Vacation | \$644,948 | \$684,697 | \$684,697 | \$684,697 | \$710,931 | \$710,931 | \$710,931 |
| Recreation | \$12,788 | \$14,000 | \$14,000 | \$12,308 | \$14,000 | \$14,000 | \$14,000 |
| Uniform Allowance | \$68,393 | \$79,055 | \$82,055 | \$79,257 | \$89,877 | \$89,877 | \$89,877 |
| Personal Days - Union | \$156,531 | \$179,966 | \$179,966 | \$177,196 | \$199,871 | \$199,871 | \$199,871 |
| Fringe Benefits Distributed to Grants | (\$72,473) | (\$97,024) | (\$97,024) | (\$97,024) | (\$66,354) | (\$66,354) | (\$66,354) |
| TOTAL FRINGE BENEFITS | \$5,695,590 | \$6,168,616 | \$6,037,504 | \$6,019,741 | \$6,673,674 | \$6,673,674 | \$6,673,674 |
| TOTAL LABOR & FRINGES | \$15,615,016 | \$16,610,784 | \$16,784,948 | \$16,767,185 | \$18,838,297 | \$18,838,297 | \$18,838,297 |
| SERVICES: | | | | | | | |
| Audit, Legal & Consultant | \$214,181 | \$215,000 | \$217,795 | \$210,920 | \$216,750 | \$216,750 | \$216,750 |
| Contract Service (Janitorial, Bus Cleaning, Fuel Lane & Shelter Snow Removal) | \$635,514 | \$797,961 | \$795,765 | \$766,702 | \$816,180 | \$816,180 | \$816,180 |
| Other Services | \$393,170 | \$612,947 | \$540,282 | \$533,090 | \$679,560 | \$679,560 | \$679,560 |
| TOTAL SERVICES | \$1,242,865 | \$1,625,908 | \$1,553,842 | \$1,510,712 | \$1,712,490 | \$1,712,490 | \$1,712,490 |
| MATERIAL & SUPPLIES: | | | | | | | |
| Fuel & Lubricants | \$2,232,917 | \$2,536,791 | \$3,411,311 | \$3,411,311 | \$5,064,255 | \$5,064,255 | \$5,064,255 |
| Tires & Tubes | \$7,927 | \$17,505 | \$21,005 | \$12,477 | \$16,490 | \$16,490 | \$16,490 |
| Office Supplies | \$47,778 | \$54,032 | \$56,307 | \$50,961 | \$48,725 | \$48,725 | \$48,725 |
| Printing | \$69,550 | \$84,730 | \$83,775 | \$83,775 | \$89,390 | \$89,390 | \$89,390 |
| Repair Parts | \$830,829 | \$881,996 | \$871,496 | \$834,437 | \$893,002 | \$893,002 | \$893,002 |
| Supplies - Other | \$61,472 | \$64,700 | \$69,796 | \$60,184 | \$70,497 | \$70,497 | \$70,497 |
| TOTAL MATERIAL & SUPPLIES | \$3,250,473 | \$3,639,754 | \$4,513,690 | \$4,453,145 | \$6,182,359 | \$6,182,359 | \$6,179,359 |
| UTILITIES: | | | | | | | |
| Electronic Communications | \$66,871 | \$70,253 | \$57,678 | \$57,678 | \$60,840 | \$60,840 | \$60,840 |
| Gas Heat | \$153,088 | \$187,300 | \$247,300 | \$247,300 | \$256,562 | \$256,562 | \$256,562 |
| Electric | \$217,791 | \$221,300 | \$216,300 | \$216,300 | \$232,660 | \$232,660 | \$232,660 |
| Other | \$59,746 | \$65,300 | \$65,300 | \$65,300 | \$69,700 | \$69,700 | \$69,700 |
| TOTAL UTILITIES | \$497,496 | \$544,153 | \$586,578 | \$586,578 | \$619,762 | \$619,762 | \$619,762 |

INTERUR: TRANSIT PARTNERSHIP
 OPERATING EXPENSE BY CATEGORY - CONTINUED
 FY 2009 BUDGET

| | FY 2007 ACTUAL | FY 2008 ADOPTED BUDGET | FY 2008 AMENDED BUDGET | FY 2008 PROJECTED ACTUAL | FY 2009 CURRENT SERVICE BUDGET | FY 2009 CURRENT SERVICE BUDGET W/ FARE INCREASE | FY 2009 CURRENT SERVICE BUDGET W/ FARE INCREASE AND ELIMINATE AIRPORT SHUTTLE |
|---|-------------------|------------------------------|------------------------------|--------------------------------|---|---|---|
| CASUALTY & LIABILITY COSTS: | | | | | | | |
| PL & PD Insurance | \$619,632 | \$618,680 | \$660,048 | \$660,048 | \$705,780 | \$705,780 | \$705,780 |
| Building & Other Insurance | \$152,700 | \$98,618 | \$98,618 | \$98,618 | \$163,050 | \$163,050 | \$163,050 |
| TOTAL CASUALTY & LIABILITY | \$772,332 | \$717,298 | \$758,666 | \$758,666 | \$868,830 | \$868,830 | \$868,830 |
| PURCHASED TRANSPORTATION | \$3,001,021 | \$3,735,962 | \$3,603,348 | \$3,603,348 | \$3,892,591 | \$3,892,591 | \$3,892,591 |
| PURCHASED TRANSPORTATION - COMMUNITY MENTAL HEALTH | \$2,072,179 | \$2,272,544 | \$2,272,544 | \$2,272,544 | \$2,249,100 | \$2,249,100 | \$2,249,100 |
| PURCHASED TRANSPORTATION - OTHER PROGRAMS | \$0 | \$18,000 | \$18,000 | \$18,000 | \$9,000 | \$9,000 | \$9,000 |
| PURCHASED TRANSPORTATION - SUBURBAN PARATRANSIT | \$380,413 | \$447,777 | \$407,175 | \$407,175 | \$348,509 | \$348,509 | \$348,509 |
| PURCHASED TRANSPORTATION - AIRPORT SHUTTLE | \$337,834 | \$156,476 | \$156,476 | \$156,476 | \$154,593 | \$154,593 | \$0 |
| OTHER EXPENSES: | | | | | | | |
| Dues & Subscriptions | \$51,331 | \$59,508 | \$60,558 | \$60,558 | \$58,541 | \$58,541 | \$58,541 |
| Professional Development | \$96,587 | \$125,180 | \$111,735 | \$94,005 | \$117,655 | \$117,655 | \$117,655 |
| Promotion | \$139,779 | \$132,500 | \$132,500 | \$132,500 | \$128,500 | \$128,500 | \$120,000 |
| Community Outreach | \$102,620 | \$120,000 | \$120,000 | \$120,000 | \$120,000 | \$120,000 | \$120,000 |
| Office Equipment | \$11,489 | \$13,912 | \$14,412 | \$11,692 | \$14,000 | \$14,000 | \$14,000 |
| Shop Tools | \$24,450 | \$30,114 | \$30,114 | \$26,400 | \$30,380 | \$30,380 | \$30,380 |
| Miscellaneous | \$91,800 | \$75,150 | \$90,270 | \$74,792 | \$72,150 | \$72,150 | \$72,150 |
| TOTAL OTHER EXPENSES | \$518,056 | \$556,364 | \$559,589 | \$519,947 | \$541,226 | \$541,226 | \$532,726 |
| NET SURPLUS/(DEFICIT) | \$832,005 | \$1,696,154 | \$1,696,154 | \$1,696,154 | \$0 | \$0 | \$0 |
| TRANSFER OUT - GRANT BUDGET | \$19,649 | \$68,250 | \$68,250 | \$68,250 | \$51,625 | \$51,625 | \$51,625 |
| OPERATING EXPENSES - CAPITALIZED | \$0 | (\$268,051) | (\$908,638) | (\$858,639) | (\$2,067,725) | (\$1,432,374) | (\$1,299,776) |
| TOTAL EXPENDITURES | \$28,539,339 | \$31,821,373 | \$32,070,622 | \$31,959,541 | \$33,400,657 | \$34,036,008 | \$34,002,513 |

**INTERURBAN TRANSIT PARTNERSHIP
GRANT REVENUES & EXPENDITURES
FY 2009 BUDGET**

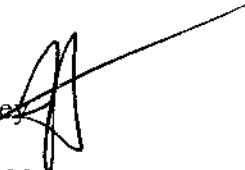
REVENUES

| | FY 2008 <u>AMENDED</u> | FY 2009 <u>PROPOSED</u> |
|--------------------------------|---------------------------|----------------------------|
| Federal Grant Assistance | \$10,957,415 | \$19,468,290 |
| State Grant Assistance | \$2,759,197 | \$4,303,889 |
| Use of Restricted Net Assets | \$0 | \$0 |
| Other Local | \$31,031 | \$32,599 |
| Transfer In - Operating Budget | <u>\$68,250</u> | <u>\$51,625</u> |
| TOTAL GRANT REVENUES | \$13,815,893 | \$23,856,403 |

EXPENDITURES

| Description | FY 2008 <u>AMENDED</u> | FY 2009 <u>PROPOSED</u> | FY 2009 <u>Federal</u> | FY 2009 <u>State</u> | FY 2009 <u>Local</u> | FY 2009 <u>Other</u> |
|--------------------------------------|---------------------------|----------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
| Administrative Salaries | \$178,604 | \$124,797 | \$104,033 | \$0 | \$0 | \$20,764 |
| Fringe Benefit Distribution | <u>\$97,024</u> | <u>\$66,354</u> | <u>\$54,519</u> | \$0 | \$0 | <u>\$11,835</u> |
| TOTAL LABOR | \$275,628 | \$191,151 | \$158,552 | \$0 | \$0 | \$32,599 |
| Tires & Tubes | \$89,600 | \$91,200 | \$91,200 | \$0 | \$0 | \$0 |
| Office Supplies | \$500 | \$500 | \$500 | \$0 | \$0 | \$0 |
| Printing | <u>\$4,000</u> | <u>\$4,000</u> | <u>\$4,000</u> | \$0 | \$0 | \$0 |
| TOTAL MATERIAL & SUPPLIES | \$94,100 | \$95,700 | \$95,700 | \$0 | \$0 | \$0 |
| Purchased Transportation | \$1,270,205 | \$1,500,000 | \$950,000 | \$550,000 | \$0 | \$0 |
| Specialized Services | <u>\$463,289</u> | <u>\$463,289</u> | \$0 | <u>\$463,289</u> | \$0 | \$0 |
| TOTAL PURCHASED TRANS. | \$1,733,494 | \$1,963,289 | \$950,000 | \$1,013,289 | \$0 | \$0 |
| Dues & Subscriptions | \$4,775 | \$4,775 | \$4,775 | \$0 | \$0 | \$0 |
| Professional Development | \$4,000 | \$4,000 | \$4,000 | \$0 | \$0 | \$0 |
| Miscellaneous | <u>\$10,125</u> | <u>\$10,125</u> | <u>\$10,125</u> | \$0 | \$0 | \$0 |
| TOTAL OTHER EXPENSES | \$18,900 | \$18,900 | \$18,900 | \$0 | \$0 | \$0 |
| Storage Space Lease | <u>\$21,600</u> | <u>\$22,248</u> | <u>\$22,248</u> | \$0 | \$0 | \$0 |
| TOTAL LEASES | \$21,600 | \$22,248 | \$22,248 | \$0 | \$0 | \$0 |
| Rolling Stock | \$4,925,000 | \$14,393,000 | \$11,514,400 | \$2,878,600 | \$0 | \$0 |
| Facilities | \$2,410,400 | \$2,060,000 | \$1,648,000 | \$412,000 | \$0 | \$0 |
| Equipment | \$600,000 | \$533,000 | \$533,000 | \$0 | \$0 | \$0 |
| Other | <u>\$2,216,723</u> | <u>\$2,763,089</u> | <u>\$2,763,089</u> | \$0 | \$0 | \$0 |
| TOTAL CAPITAL | \$10,152,123 | \$19,749,089 | \$16,458,489 | \$3,290,600 | \$0 | \$0 |
| TOTAL PLANNING SERVICES | \$611,410 | \$516,250 | \$464,625 | \$0 | \$51,625 | \$0 |
| TOTAL CAPITALIZED OPERATING | \$908,638 | \$1,299,776 | \$1,299,776 | \$0 | \$0 | \$0 |
| TOTAL GRANT EXPENDITURES | \$13,815,893 | \$23,856,403 | \$19,468,290 | \$4,303,889 | \$51,625 | \$32,599 |

To: ITP Board

From: Alan Hartley 

Date: July 29, 2008

Re: Operating Budget Projection: FY 2010 – FY 2014

Attached for your review is an operating budget projection for fiscal years 2010 through 2014. These projections are based on the FY 2009 Proposed Budget which includes a fare increase and the elimination of the airport shuttle.

Key Assumptions:

Expense projections are based on current service levels (including COA Phase II improvements) utilizing historical trends.

Revenues increase from year-to-year based on historical trends, except for State Operating Assistance, which is assumed to decrease one-half (1/2) percent per year. Contracted service hours (GVSU, DASH, Davenport and Townships) are projected through FY 2014 at FY 2009 levels, since service hours are at the sole discretion of the contractee.

Diesel fuel has been projected to increase five (5) percent annually. In FY 2009, diesel fuel is budgeted at \$4.10 per gallon increasing to \$5.23 per gallon in FY 2014.

Key Results:

Section 5307 funds necessary to balance the budget immediately surpass the current Board authorized level of \$1.3 million in FY 2010 (\$1.6 million). FY 2014 shows the Authority utilizing nearly \$2.4 million of capitalized operating to balance the budget. The increased reliance on capitalized operating through the five year period is primarily the result of the uncertainty in the price of diesel fuel and the projected, continued erosion of funding from the State of Michigan.

In order to maintain a viable capital program, the Board should consider limiting the use of capitalized operating to the current authorized level of \$1.3 million. This would create a "hole" in the budget that would need to be filled with either \$2.5 million in enhanced revenue or use of unrestricted retained earnings or expenditure reductions totaling \$3.4 million over the five (5) year period or some combination of the two.

**INTERURBAN TRANSIT PARTNERSHIP
OPERATING REVENUE BY CATEGORY
FY 2009 BUDGET - FY 2014 PROJECTED**

| | FY 2009 PROPOSED BUDGET | FY 2010 PROJECTED | FY 2011 PROJECTED | FY 2012 PROJECTED | FY 2013 PROJECTED | FY 2014 PROJECTED |
|--|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| PASSENGER FARES: | | | | | | |
| Passenger Fares - Linehaul | \$4,191,495 | \$4,359,155 | \$4,533,521 | \$4,714,862 | \$4,903,456 | \$5,099,595 |
| Passenger Fares - Paratransit | \$657,076 | \$670,218 | \$683,622 | \$697,294 | \$711,240 | \$725,465 |
| Passenger Fares - Other | \$44,290 | \$45,176 | \$46,079 | \$47,001 | \$47,941 | \$48,900 |
| Passenger Fares - Airport | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL FARES | \$4,892,861 | \$5,074,548 | \$5,263,222 | \$5,459,157 | \$5,662,637 | \$5,873,959 |
| SALE OF TRANSPORTATION SERVICES | | | | | | |
| Community Mental Health | \$1,645,600 | \$1,662,056 | \$1,678,677 | \$1,695,463 | \$1,712,418 | \$1,729,542 |
| Downtown Area Shuttle | \$786,698 | \$826,033 | \$867,335 | \$910,701 | \$956,236 | \$1,004,048 |
| Grand Valley State University | \$2,086,702 | \$2,191,037 | \$2,300,589 | \$2,415,618 | \$2,536,399 | \$2,663,219 |
| Employment Transportation (Vanpool Lease) | \$172,800 | \$177,984 | \$183,324 | \$188,823 | \$194,488 | \$200,323 |
| Township Services | \$374,909 | \$393,654 | \$413,337 | \$434,004 | \$455,704 | \$478,489 |
| Other | <u>\$277,037</u> | <u>\$285,348</u> | <u>\$293,909</u> | <u>\$302,726</u> | <u>\$311,808</u> | <u>\$321,162</u> |
| TOTAL SALES | \$5,343,746 | \$5,536,113 | \$5,737,169 | \$5,947,336 | \$6,167,053 | \$6,396,763 |
| OTHER REVENUE & SUPPORT | | | | | | |
| State Operating Assistance | \$10,015,512 | \$10,141,730 | \$10,276,431 | \$10,400,040 | \$10,534,711 | \$10,668,933 |
| Property Taxes | \$13,265,685 | \$13,796,312 | \$14,348,165 | \$14,922,091 | \$15,518,975 | \$16,139,734 |
| Advertising | \$92,000 | \$93,840 | \$95,717 | \$97,631 | \$99,584 | \$101,575 |
| Interest & Miscellaneous | <u>\$392,709</u> | <u>\$400,563</u> | <u>\$408,573</u> | <u>\$416,745</u> | <u>\$425,080</u> | <u>\$433,581</u> |
| TOTAL OTHER | \$23,765,906 | \$24,432,445 | \$25,128,886 | \$25,836,508 | \$26,578,350 | \$27,343,824 |
| TOTAL REVENUES | \$34,002,513 | \$35,043,106 | \$36,129,278 | \$37,243,001 | \$38,408,041 | \$39,614,567 |
| | -0 | -0 | -0 | 0 | 0 | -0 |
| NET ASSETS - IF OPERATING EXPENSES ARE CAPITALIZED TO BALANCE BUDGET | | | | | | |
| Restricted (Total @ 9/30/00 = \$440,492) | \$440,492 | \$440,492 | \$440,492 | \$440,492 | \$440,492 | \$440,492 |
| Restricted Additions/(Losses) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Unrestricted Cumulative (\$5,707,567 @ 9/30/00) | \$12,335,004 | \$12,335,004 | \$12,335,004 | \$12,335,004 | \$12,335,004 | \$12,335,004 |
| OPERATING EXPENSES - CAPITALIZED | (\$1,299,776) | (\$1,599,339) | (\$1,764,130) | (\$1,981,820) | (\$2,174,472) | (\$2,383,017) |
| NET ASSETS - IF OPERATING EXPENSES ARE CAPITALIZED TO BALANCE BUDGET UP TO CURRENT LIMIT OF \$1.3 MILLION | | | | | | |
| Restricted (Total @ 9/30/00 = \$440,492) | \$440,492 | \$440,492 | \$440,492 | \$440,492 | \$440,492 | \$440,492 |
| Unrestricted Additions/(Losses) or Additional Revenue | \$0 | (\$212,531) | (\$331,853) | (\$490,910) | (\$633,992) | (\$790,603) |
| Unrestricted Cumulative (\$12,335,004 @ 9/30/08) | \$12,335,004 | \$12,122,473 | \$11,790,620 | \$11,299,710 | \$10,665,718 | \$9,875,115 |
| Expense Reductions Instead Of Use of Net Assets or Additional Revenue | \$0 | \$299,339 | \$464,130 | \$681,820 | \$874,472 | \$1,083,017 |

INTERURBAN TRANSIT PARTNERSHIP
OPERATING EXPENSE BY CATEGORY
FY 2009 BUDGET - FY 2014 PROJECTED

| | FY 2009 PROPOSED BUDGET | FY 2010 PROJECTED | FY 2011 PROJECTED | FY 2012 PROJECTED | FY 2013 PROJECTED | FY 2014 PROJECTED |
|--|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| LABOR: | | | | | | |
| Administrative Salaries | \$2,761,418 | \$2,851,164 | \$2,943,827 | \$3,039,501 | \$3,138,285 | \$3,240,279 |
| Driver Wages | \$8,184,942 | \$8,599,305 | \$8,814,287 | \$9,034,644 | \$9,260,511 | \$9,492,023 |
| Mechanics Wages | \$1,218,263 | \$1,248,720 | \$1,279,938 | \$1,311,936 | \$1,344,734 | \$1,378,353 |
| TOTAL LABOR | \$12,164,623 | \$12,699,188 | \$13,038,052 | \$13,386,082 | \$13,743,530 | \$14,110,655 |
| FRINGE BENEFITS: | | | | | | |
| FICA | \$1,032,842 | \$1,066,732 | \$1,095,196 | \$1,124,431 | \$1,154,457 | \$1,185,295 |
| Pension | \$839,704 | \$864,895 | \$890,842 | \$917,567 | \$945,094 | \$973,447 |
| Group Medical | \$2,757,568 | \$2,840,295 | \$3,053,317 | \$3,282,316 | \$3,528,490 | \$3,793,126 |
| Unemployment Insurance | \$126,999 | \$130,174 | \$133,428 | \$136,764 | \$140,183 | \$143,688 |
| Workers Compensation | \$500,000 | \$520,667 | \$534,560 | \$548,829 | \$563,485 | \$578,537 |
| Sick Leave | \$148,500 | \$152,955 | \$157,544 | \$162,270 | \$167,138 | \$172,152 |
| Holiday | \$319,736 | \$329,328 | \$339,208 | \$349,384 | \$359,866 | \$370,662 |
| Vacation | \$710,931 | \$732,259 | \$754,227 | \$776,853 | \$800,159 | \$824,164 |
| Bereavement | \$14,000 | \$14,420 | \$14,853 | \$15,298 | \$15,757 | \$16,230 |
| Uniform Allowance | \$89,877 | \$92,573 | \$95,351 | \$98,211 | \$101,157 | \$104,192 |
| Personal Days - Union | \$199,871 | \$204,868 | \$209,989 | \$215,239 | \$220,620 | \$226,136 |
| Fringe Benefits Distributed to Grants | (\$66,354) | (\$68,345) | (\$70,395) | (\$72,507) | (\$74,682) | (\$76,922) |
| TOTAL FRINGE BENEFITS | \$6,673,674 | \$6,880,821 | \$7,208,120 | \$7,554,657 | \$7,921,724 | \$8,310,706 |
| TOTAL LABOR & FRINGES | \$18,838,297 | \$19,580,010 | \$20,246,172 | \$20,940,738 | \$21,665,254 | \$22,421,361 |
| SERVICES: | | | | | | |
| Audit, Legal & Consultant | \$216,750 | \$222,169 | \$227,723 | \$233,416 | \$239,251 | \$245,233 |
| Contract Service (Janitorial, Bus Cleaning, Fuel Lane & Shelter Snow Removal) | \$816,180 | \$849,154 | \$866,137 | \$883,459 | \$901,129 | \$919,151 |
| Other Services | \$679,560 | \$693,151 | \$707,014 | \$721,155 | \$735,578 | \$750,289 |
| TOTAL SERVICES | \$1,712,490 | \$1,764,474 | \$1,800,874 | \$1,838,030 | \$1,875,958 | \$1,914,673 |
| MATERIAL & SUPPLIES: | | | | | | |
| Fuel & Lubricants | \$5,064,255 | \$5,317,468 | \$5,583,341 | \$5,862,508 | \$6,155,634 | \$6,463,415 |
| Tires & Tubes | \$16,490 | \$16,820 | \$17,156 | \$17,499 | \$17,849 | \$18,206 |
| Office Supplies | \$48,725 | \$49,700 | \$50,693 | \$51,707 | \$52,742 | \$53,796 |
| Printing | \$86,390 | \$88,118 | \$89,880 | \$91,678 | \$93,511 | \$95,382 |
| Repair Parts | \$893,002 | \$919,792 | \$947,386 | \$975,807 | \$1,005,082 | \$1,035,234 |
| Supplies - Other | \$70,497 | \$71,907 | \$73,345 | \$74,812 | \$76,308 | \$77,834 |
| TOTAL MATERIAL & SUPPLIES | \$6,179,359 | \$6,463,804 | \$6,761,802 | \$7,074,012 | \$7,401,126 | \$7,743,868 |
| UTILITIES: | | | | | | |
| Electronic Communications | \$60,840 | \$62,057 | \$63,298 | \$64,564 | \$65,855 | \$67,172 |
| Gas Heat | \$256,562 | \$261,693 | \$266,927 | \$272,266 | \$277,711 | \$283,265 |
| Electric | \$232,660 | \$237,313 | \$242,059 | \$246,901 | \$251,839 | \$256,875 |
| Other | \$69,700 | \$71,094 | \$72,516 | \$73,966 | \$75,446 | \$76,954 |
| TOTAL UTILITIES | \$619,762 | \$632,157 | \$644,800 | \$657,696 | \$670,850 | \$684,267 |
| CASUALTY & LIABILITY COSTS: | | | | | | |
| PL & PD Insurance | \$705,780 | \$734,011 | \$763,372 | \$793,907 | \$825,663 | \$858,689 |
| Building & Other Insurance | \$163,050 | \$166,311 | \$169,637 | \$173,030 | \$176,491 | \$180,020 |
| TOTAL CASUALTY & LIABILITY | \$868,830 | \$900,322 | \$933,009 | \$966,936 | \$1,002,153 | \$1,038,710 |
| PURCHASED TRANSPORTATION | \$3,892,591 | \$4,048,295 | \$4,210,226 | \$4,378,635 | \$4,553,781 | \$4,735,932 |
| PURCHASED TRANSPORTATION - COMMUNITY MENTAL HEALTH | \$2,249,100 | \$2,271,591 | \$2,294,307 | \$2,317,250 | \$2,340,422 | \$2,363,827 |
| PURCHASED TRANSPORTATION - OTHER PROGRAMS | \$9,000 | \$9,000 | \$9,000 | \$9,000 | \$9,000 | \$9,000 |
| PURCHASED TRANSPORTATION - SUBURBAN PARATRANSIT | \$348,509 | \$358,964 | \$369,733 | \$380,825 | \$392,250 | \$404,017 |

INTERURBAN TRANSIT PARTNERSHIP
 OPERATING EXPENSE BY CATEGORY - CONTINUED
 FY 2009 BUDGET - FY 2014 PROJECTED

| | FY 2009 PROPOSED BUDGET | FY 2010 PROJECTED | FY 2011 PROJECTED | FY 2012 PROJECTED | FY 2013 PROJECTED | FY 2014 PROJECTED |
|---|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| PURCHASED TRANSPORTATION - AIRPORT SHUTTLE | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| OTHER EXPENSES: | | | | | | |
| Dues & Subscriptions | \$58,541 | \$59,712 | \$60,908 | \$62,124 | \$63,367 | \$64,634 |
| Professional Development | \$117,655 | \$118,832 | \$120,020 | \$121,220 | \$122,432 | \$123,657 |
| Promotion | \$120,000 | \$122,400 | \$124,848 | \$127,345 | \$129,892 | \$132,490 |
| Community Outreach | \$120,000 | \$122,400 | \$124,848 | \$127,345 | \$129,892 | \$132,490 |
| Office Equipment | \$14,000 | \$14,280 | \$14,566 | \$14,857 | \$15,154 | \$15,457 |
| Shop Tools | \$30,380 | \$30,988 | \$31,607 | \$32,239 | \$32,884 | \$33,542 |
| Miscellaneous | \$72,150 | \$73,593 | \$75,065 | \$76,566 | \$78,097 | \$79,659 |
| TOTAL OTHER EXPENSES | \$532,726 | \$542,204 | \$551,860 | \$561,697 | \$571,718 | \$581,929 |
| NET SURPLUS/(DEFICIT) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TRANSFER OUT - GRANT BUDGET | \$51,625 | \$71,625 | \$71,625 | \$100,000 | \$100,000 | \$100,000 |
| OPERATING EXPENSES - CAPITALIZED | (\$1,299,776) | (\$1,599,339) | (\$1,764,130) | (\$1,981,820) | (\$2,174,472) | (\$2,383,017) |
| TOTAL EXPENDITURES | \$34,002,513 | \$35,043,106 | \$36,129,278 | \$37,243,001 | \$38,408,041 | \$39,614,567 |