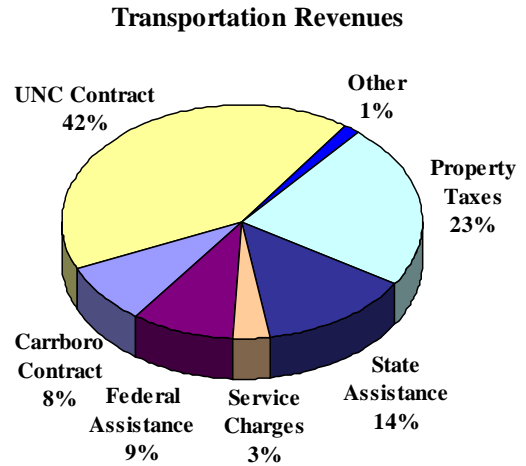


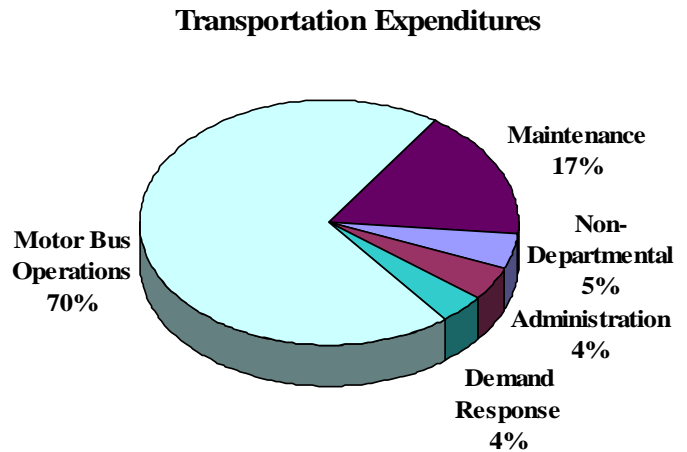
# TRANSPORTATION FUND

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The Transportation Fund is used to account for the operations of the Town's public transit system.



**Total \$11,416,600**



# ***TRANSPORTATION DEPARTMENT***

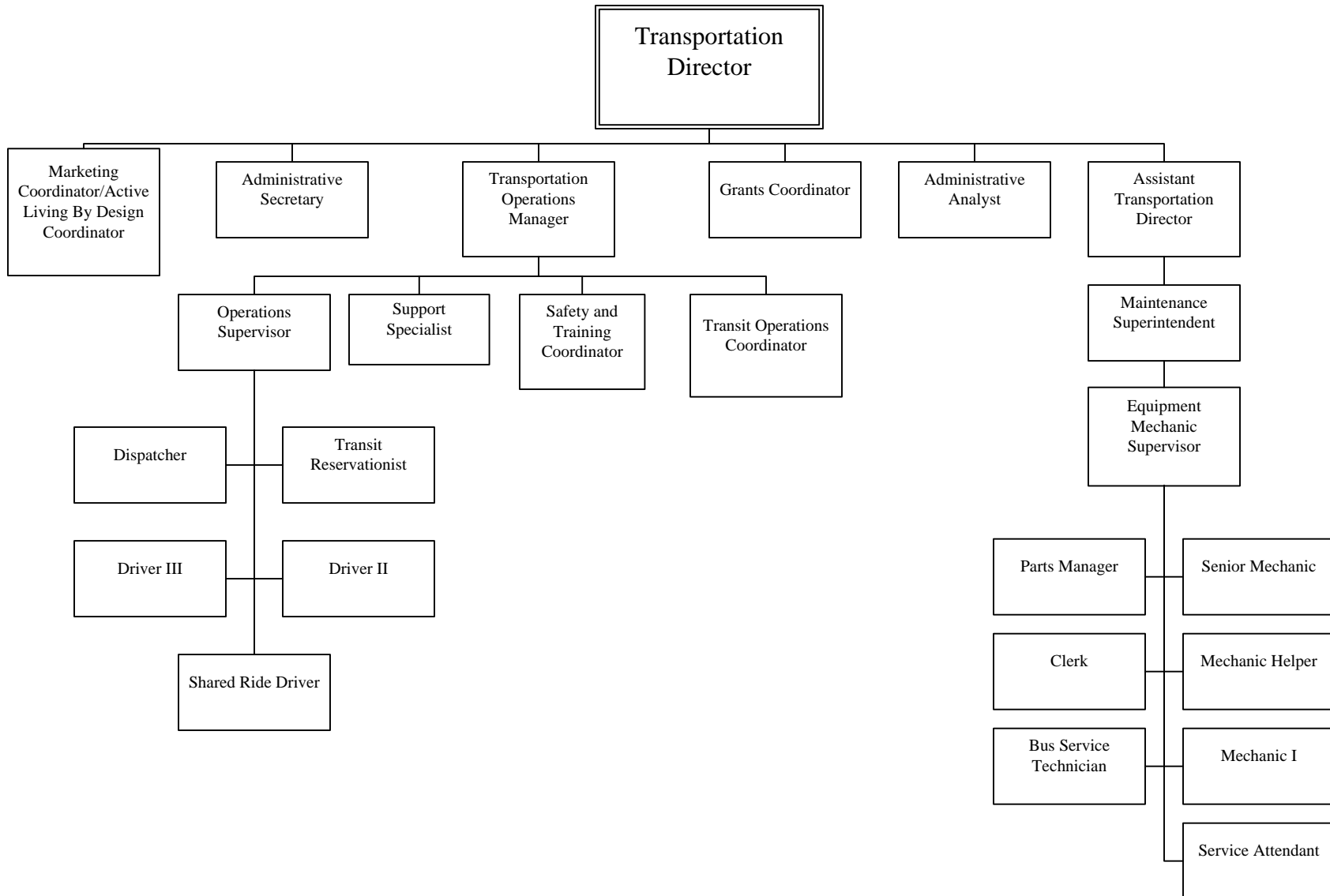
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**MISSION STATEMENT:** *The primary mission of the Transportation Department is to provide safe, convenient, affordable, reliable, and responsive public transportation services to residents and visitors of the Chapel Hill, Carrboro, and University of North Carolina communities; to be accessible, efficiently operated and supportive of a healthy environment and a sustainable local economy; and to connect and coordinate with other transportation means in the Research Triangle area providing an alternative for local and regional travel.*

The Transportation Department is made up of four divisions including the Administrative Division, the Operations Division, the Maintenance Division and the Non-Departmental Division. Duties of the divisions of the Transportation Department include:

- Fixed-route bus services, EZ rider service for the mobility-challenged, and shared-ride service for the communities of Chapel Hill, Carrboro and the University of North Carolina.
- Operation of the Tar Heel Express – a park and ride shuttle service for special events.
- Oversight of the taxi franchise approvals and renewals according to the Town Code of Ordinances.
- Compliance with State and federal regulations.
- Accurate and timely reporting of statistics.

# TRANSPORTATION



**TRANSPORTATION DEPARTMENT**  
**STAFFING COMPARISONS - IN FULL-TIME EQUIVALENTS**

	<b>2002-03 ADOPTED</b>	<b>2003-04 ADOPTED</b>	<b>2004-05 ADOPTED</b>
<b>Administration</b>			
Director-Transportation	1.00	1.00	1.00
Assistant Director-Transportation	1.00	1.00	1.00
Administrative Analyst	0.00	1.00	1.00
Coordinator-Marketing	0.00	0.50	1.00
Planner	0.50	0.50	0.50
Coordinator-Grants	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00
Division Totals	4.50	6.00	6.50
<b>Operations</b>			
Transit Operations Manager	0.00	0.00	1.00
Coordinator-Safety and Training	0.00	1.00	1.00
Transit Operations Coordinator	0.00	0.00	1.00
Supervisor-Transit	5.00	5.00	5.00
Transit Dispatcher	4.82	4.82	4.82
Transit Operations Support Specialist	1.00	1.00	1.00
Transit Operator III (E-Z Rider Driver)	8.26	8.26	9.26
Transit Operator II (Bus Driver)	90.86	100.86	99.86
Transit Operator I (Shared Rider Driver)	6.15	6.15	6.15
Transit Reservationist	0.00	0.00	1.50
Transit Operations Superintendent	1.00	1.00	0.00
Assistant Transit Operations Superintendent	1.00	1.00	0.00
Division Totals	118.09	129.09	130.59
<b>Equipment Maintenance</b>			
Superintendent-Transit Maintenance	1.00	1.00	1.00
Supervisor-Mechanic	2.00	2.00	2.00
Mechanic, Senior	1.00	1.00	1.00
Parts Manager	1.00	1.00	1.00
Mechanic	6.00	9.00	9.00
Bus Service Technician	1.00	1.00	2.00
Mechanic Helper	0.00	2.00	2.00
Administrative Clerk	0.00	0.50	1.00
Service Attendant	6.00	5.00	5.50
Assistant Director-Maintenance	0.00	1.00	0.00
Desk Clerk	0.00	0.50	0.00
Division Totals	18.00	24.00	24.50
Transportation Department Totals	140.59	159.09	161.59

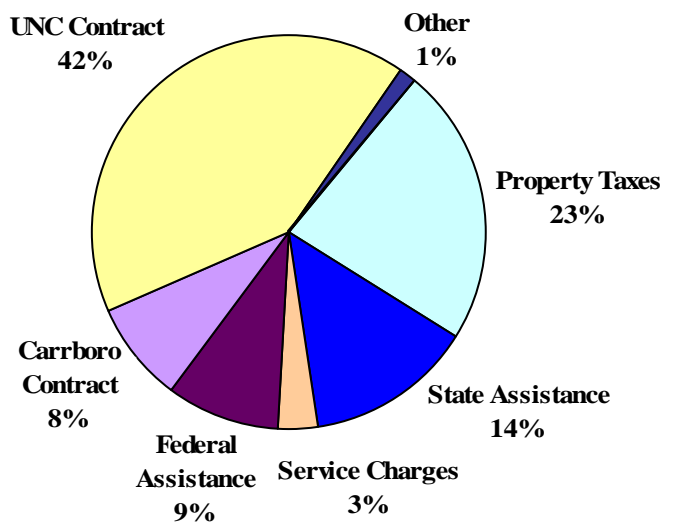
# **TRANSPORTATION FUND**

## **Major Revenue Sources - Descriptions and Estimates**

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The Town provides public transit services in the Town of Chapel Hill and to the neighboring Town of Carrboro, the University and UNC Health Care System on a contractual basis. In 2001-02, the transit system initiated fare free services, eliminating all fare box revenue and pass sales revenue previously collected for the system (with the exception of fares for the Tar Heel Express service provided for athletic and other special events for the University). Federal Operating Assistance is expected to increase by approximately \$92,500 in 2004-05 to \$1,025,00. Budgeted State operating assistance of \$1,566,000 is a slight reduction from the original 2003-04 budget.

For 2004-05, the Transportation Fund totals about \$11.4 million. Below is a description of the major revenue sources for the Transportation Fund. The pie chart at right shows the major revenue sources for 2004-05.



### **Federal Operating Assistance**

The Transit system receives an operating assistance allocation each year from the federal government based on a variety of factors and funding formulas. We estimate federal funding for operations of about \$1,024,500 in 2004-05, an increase of about \$92,500 over the current year.

### **State Operating Assistance**

The Transit system also receives an operating assistance allocation each year from the State based on a formula involving various operating statistics for the system. The Town received a one-time disbursement of Highway Trust Funds of \$897,000 in 2003-04, resulting in a total State allocation of \$2,463,000 in 2003-04. The 2004-05 budget for State assistance is about \$1,566,000.

### **University Contract**

The University of North Carolina contracts with the Town for bus service for routes on and surrounding the campus of the University and UNC Health Care System. The University contract also covers routes determined to serve mainly students and employees of the University. The cost of these services is based on cost sharing

# TRANSPORTATION FUND

## Major Revenue Sources - Descriptions and Estimates

arrangements among the Town, the University and Carrboro as agreed to in an annual contract. Based on existing cost sharing arrangements for the continuation of fare free service, the University's share of system cost for the 2004-05 budget totals about \$4.7 million.

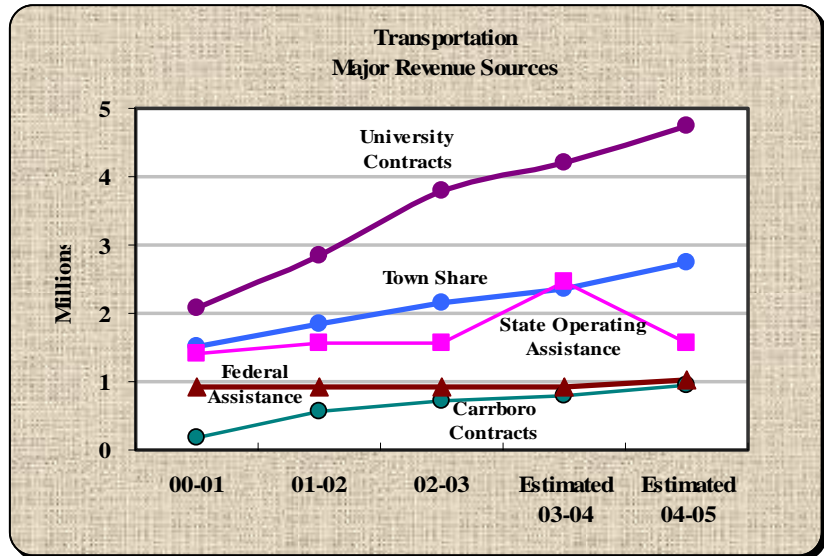
### Carrboro Contract

The Town of Carrboro also contracts with the Town for transit service with costs also based on the Memorandum of Understanding. For 2004-05, Carrboro's cost for the recommended budget totals about \$946,000.

### Town Revenues

The Town's share of cost for the Transportation system is funded primarily by a property tax levy for transportation. For 2004-05, the budget for the Transportation Fund requires an increase of .8 cents in the Transportation tax rate, from 5.1 cents to 5.9 cents. A tax rate at this level generates about \$2,597,000 in property tax revenues for the system, an increase of about \$407,000 over the tax levy in 2003-04.

Other operating revenues expected for the system for 2004-05 include about \$285,000 in special fares for the Tar Heel Express services and about \$144,000 from vehicle license fees.



# **TRANSPORTATION FUND**

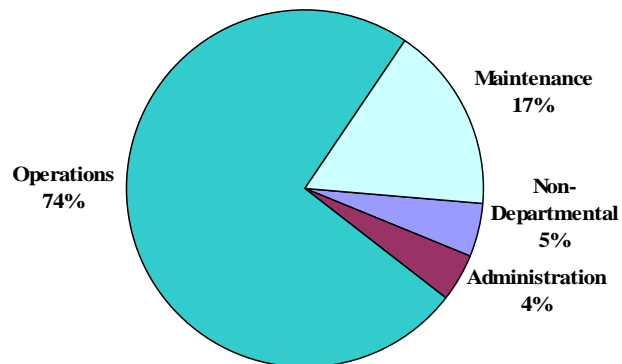
## ***Major Expenditures - Descriptions and Estimates***

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The Town provides public transit services in the Town of Chapel Hill, and to the neighboring Town of Carrboro, the University and UNC Health Care System on a contractual basis.

The Transportation Fund budget that continues fare free services for all routes in the system totals about \$11.4 million for the 2004-05 budget year. Major expenditures of the system consist primarily of the personnel, operating and maintenance costs for 83 buses, two 15-passenger vans, 13 sedans and two maintenance service trucks that provide transit service to the entire community, and the provision of local matching funds for replacement of buses and other capital facilities.

The pie graph at right shows the relative proportion of expenditures for the 2004-05 budget, divided into the categories of operations, maintenance, non-departmental and administration costs. The largest category is for operations of the system with costs totaling about \$8.5 million, followed by maintenance costs of \$1.9 million, administrative costs of about \$511,000 and non-departmental costs of \$534,000. The primary expense in these categories is for operations personnel and system maintenance. Major operating expenses include fuel (\$783,000), vehicular liability insurance (\$30,000) and maintenance and repair costs for the bus fleet (\$355,000). Overall personnel costs for the Transportation budget include increases in medical insurance and workers' compensation in 2004-05.



The Non-departmental category includes transfers for transportation capital grants to match the local funding requirements for State and federal capital grants. Transfers to the Transportation Capital Reserve Fund are intended to match future capital grants for the replacement of buses and to contribute toward the cost of the new transit facility needed by 2006-07. Transfers included in the budget for 2004-05 total about \$470,000.

## **TRANSPORTATION BUDGET SUMMARY**

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*The adopted budget for the Transportation Department supports continued fare-free service initiated during 2001-02 for an increased number of routes and level of services. The adopted budget is based on an increase of .8 cents in the Transportation tax rate, from 5.1 cents to 5.9 cents.*

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### **EXPENDITURES**

	<b>2002-03 Actual</b>	<b>2003-04 Original Budget</b>	<b>2003-04 Revised Budget</b>	<b>2003-04 Estimated</b>	<b>2004-05 Adopted Budget</b>	<b>% Change from 2003-04</b>
Non-Departmental	2,421,543	712,166	1,601,503	1,535,699	533,902	-25.0%
Administration	340,499	455,832	466,357	453,168	511,397	12.2%
Operations	7,244,940	7,709,960	7,739,275	7,524,291	7,980,188	3.5%
Demand Response	-	-	-	-	459,900	N/A
Maintenance	1,473,036	1,833,090	1,838,230	1,664,021	1,931,213	5.4%
<b>Total</b>	<b>11,480,018</b>	<b>10,711,048</b>	<b>11,645,365</b>	<b>11,177,179</b>	<b>11,416,600</b>	<b>6.6%</b>

### **REVENUES**

	<b>2002-03 Actual</b>	<b>2003-04 Original Budget</b>	<b>2003-04 Revised Budget</b>	<b>2003-04 Estimated</b>	<b>2004-05 Adopted Budget</b>	<b>% Change from 2003-04</b>
Charges for Services	387,092	310,000	310,000	382,796	391,700	26.4%
Federal Assistance	932,000	932,000	932,000	932,000	1,024,577	9.9%
State Assistance	1,565,675	1,573,708	2,463,045	2,463,045	1,565,675	-0.5%
UNC Contracts	3,845,621	4,405,660	4,405,660	4,209,608	4,742,934	7.7%
Carrboro Contracts	751,962	857,715	857,715	790,370	945,672	10.3%
Chapel Hill Contribution	1,932,413	2,306,500	2,306,500	2,388,492	2,746,042	19.1%
Appropriated Fund Balance	2,065,255	325,465	370,445	-	-	-100.0%
<b>Total</b>	<b>11,480,018</b>	<b>10,711,048</b>	<b>11,645,365</b>	<b>11,166,311</b>	<b>11,416,600</b>	<b>6.6%</b>



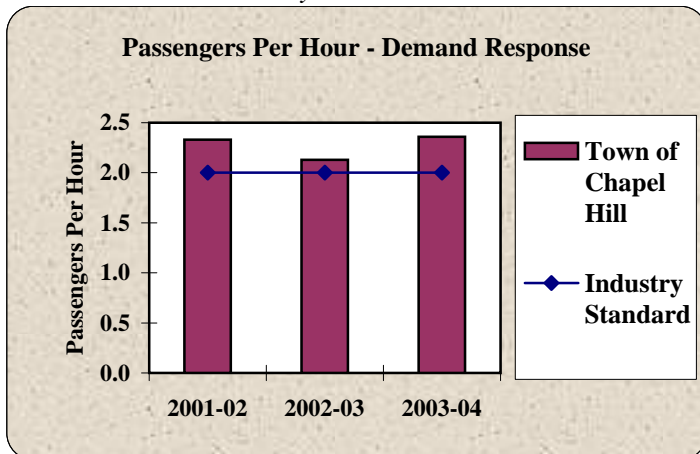
# TRANSPORTATION TRENDS

**GOAL:** Increase the number of passengers per mile in fixed route transit service.

The number of passengers per mile continued to increase in fiscal year 2004 as the Town continued to provide fare free service.



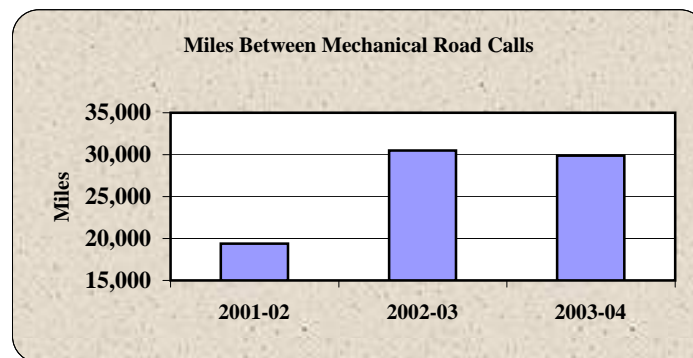
**GOAL:** Maintain the number of passengers per hour in demand responsive services at or above the industry standard.



Passengers per hour increased in fiscal year 2004 due increased scheduling efficiencies. The Transportation Department continues to exceed the industry standard of two passengers per hour.

**GOAL:** Increase the number of miles between mechanical road calls.

The number of miles between mechanical road calls decreased slightly from fiscal year 2003 to fiscal year 2004. This decrease is due to an aging bus fleet and changes in bus technology. In fiscal year 2005 the Transportation Department hopes to meet this goal by improving the training provided to the mechanics.



## ***TRANSPORTATION - ADMINISTRATION DIVISION***

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**MISSION STATEMENT:** *The mission of the Transportation Department is to provide safe, convenient, affordable, reliable, and responsive public transportation services to residents and visitors of the Chapel Hill, Carrboro, and University of North Carolina communities; to operate an accessible, efficient system, a supportive of a healthy environment and a sustainable local economy; and to connect and coordinate with other transportation means in the Research Triangle area providing an alternative for local and regional travel.*

The purpose of the Administration Division is to supervise departmental operations, manage grant and service contracts and participate in transportation planning. Duties of this division include:

- Contract negotiation and monitoring with the University of North Carolina and Town of Carrboro for transportation services and funding arrangements.
- Grants management (from agencies such as the Federal Transit Administration and the State of North Carolina).
- Staff assistance for the Transportation Board.
- Review of development proposals for impact on public transportation.
- Market and public relations activities.
- Participation in local, regional and State-wide public transit activities.

## ***TRANSPORTATION - Administration***

### **BUDGET SUMMARY**

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*The adopted budget for Transportation Administration includes an 11.5% increase in personnel costs primarily because of employee pay adjustments and anticipated increases in costs for overtime for Tar Heel Express, health insurance and workers' compensation. Operating costs are expected to increase by 13.7% because of expected increases in bus schedule printing costs (\$10,000) as well as increases in staff training and copier lease costs. No capital outlay purchases are planned for 2004-05.*

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### **EXPENDITURES**

	<b>2002-03 Actual</b>	<b>2003-04 Original Budget</b>	<b>2003-04 Revised Budget</b>	<b>2003-04 Estimated</b>	<b>2004-05 Adopted Budget</b>	<b>% Change from 2003-04</b>
Personnel	206,740	303,539	303,539	289,931	338,306	11.5%
Operating Costs	133,759	152,293	162,818	163,237	173,091	13.7%
Capital Outlay	-	-	-	-	-	N/A
<b>Total</b>	<b>340,499</b>	<b>455,832</b>	<b>466,357</b>	<b>453,168</b>	<b>511,397</b>	<b>12.2%</b>

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## ***TRANSPORTATION - Non-Departmental BUDGET SUMMARY***

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*The adopted budget for the Non-Departmental division reflects an overall decrease of 25%, largely the result of a decrease in the amount transferred to capital reserve. In 2003-04, the Town received a one-time allocation of about \$889,000 of State Highway funds to the Town's Transportation Department, which made available an equal transfer amount. In addition, the 2003-04 budget included \$55,000 for insurance, which has now been budgeted in Transportations Operations Division.*

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### **EXPENDITURES**

	<b>2002-03 Actual</b>	<b>2003-04 Original Budget</b>	<b>2003-04 Revised Budget</b>	<b>2003-04 Estimated</b>	<b>2004-05 Adopted Budget</b>	<b>% Change from 2003-04</b>
Personnel	15,969	144	144	-	-	-100.0%
Operating Costs	2,405,574	712,022	1,601,359	1,535,699	533,902	-25.0%
Capital Outlay	-	-	-	-	-	N/A
<b>Total</b>	<b>2,421,543</b>	<b>712,166</b>	<b>1,601,503</b>	<b>1,535,699</b>	<b>533,902</b>	<b>-25.0%</b>

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## ***TRANSPORTATION - OPERATIONS DIVISION***

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**MISSION STATEMENT:** *The primary mission of the Transportation Department is to provide safe, convenient, affordable, reliable, and responsive public transportation services to residents and visitors of the Chapel Hill, Carrboro, and University of North Carolina communities; to be accessible, efficiently operated and supportive of a healthy environment and a sustainable local economy; and to connect and coordinate with other transportation means in the Research Triangle area providing an alternative for local and regional travel.*

The purpose of the Operations Division is to operate fixed route bus service and demand responsive service with smaller vehicles. Duties of this division include:

- Fixed route bus service in Chapel Hill, Carrboro and UNC, using a fleet of buses.
- Demand-responsive door-to-door service for certified persons with disabilities, using lift-equipped vans and sedans.
- Fare-free transit service for passengers who wish to board a bus in any part of the Town's transportation system.
- Demand-responsive "feeder" service with sedans and vans in areas not served by fixed bus routes.
- Shuttle service (Tar Heel Express) to all UNC home football and basketball games, special events, and well-attended shows at the Smith Center.

## ***TRANSPORTATION - Motor Bus Operations***

### **BUDGET SUMMARY**

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*The adopted budget for Transportation - Motor Bus Operations reflects a 13.8% increase because of anticipated increases in fuel costs, liability insurance, telephone charges and overhead charges by the General Fund. No significant increases are anticipated in personnel costs and no capital outlay expenditures are planned in 2004-05.*

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### **EXPENDITURES**

	<b>2002-03 Actual</b>	<b>2003-04 Original Budget</b>	<b>2003-04 Revised Budget</b>	<b>2003-04 Estimated</b>	<b>2004-05 Adopted Budget</b>	<b>% Change from 2003-04</b>
Personnel	5,868,916	6,172,009	6,172,009	5,949,370	6,230,304	0.9%
Operating Costs	1,376,024	1,537,951	1,567,266	1,574,921	1,749,884	13.8%
Capital Outlay	-	-	-	-	-	N/A
<b>Total</b>	<b>7,244,940</b>	<b>7,709,960</b>	<b>7,739,275</b>	<b>7,524,291</b>	<b>7,980,188</b>	<b>3.5%</b>

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## ***TRANSPORTATION - Demand Response***

### **BUDGET SUMMARY**

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*Demand response expenditures were previously reported as part of Transportation Operations (now Transportation Operations - Motor Bus) and will be accounted for separately beginning in 2004-05. The Demand Response division includes para-transit services (EZ Rider) and point-to-point services to Town areas without regular bus services (Shared Ride).*

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### **EXPENDITURES**

	<b>2002-03 Actual</b>	<b>2003-04 Original Budget</b>	<b>2003-04 Revised Budget</b>	<b>2003-04 Estimated</b>	<b>2004-05 Adopted Budget</b>	<b>% Change from 2003-04</b>
Personnel	-	-	-	-	396,530	N/A
Operating Costs	-	-	-	-	63,370	N/A
Capital Outlay	-	-	-	-	-	N/A
<b>Total</b>	-	-	-	-	459,900	N/A

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## ***TRANSPORTATION - MAINTENANCE DIVISION***

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**MISSION STATEMENT:** *The primary mission of the Transportation Department is to provide safe, convenient, affordable, reliable, and responsive public transportation services to residents and visitors of the Chapel Hill, Carrboro, and University of North Carolina communities; to be accessible, efficiently operated and supportive of a healthy environment and a sustainable local economy; and to connect and coordinate with other transportation means in the Research Triangle area providing an alternative for local and regional travel.*

The purpose of the Maintenance Division is to service and repair vehicles and equipment. Duties of this division include:

- Maintenance of a fleet of buses, vans, support vehicles, bus shelters, and equipment.
- Determination that vehicles are safe, reliable and clean for serving the community.
- Education of Maintenance Division employees on use of new equipment and vehicles.
- Inventory system of fuel and bus parts to support the timely operation of services.



## ***TRANSPORTATION - Maintenance***

### ***BUDGET SUMMARY***

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*The adopted budget for Transportation Maintenance reflects a 7.1% increase in personnel costs for employee pay adjustments and for funding staffing vacancies not included for a full year in the 2003-04 budget and anticipated increase in the cost of workers' compensation. No significant changes are anticipated in operating costs and no capital outlay purchases are planned for 2004-05.*

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### **EXPENDITURES**

	<b>2002-03 Actual</b>	<b>2003-04 Original Budget</b>	<b>2003-04 Revised Budget</b>	<b>2003-04 Estimated</b>	<b>2004-05 Adopted Budget</b>	<b>% Change from 2003-04</b>
Personnel	820,480	1,100,145	1,095,625	923,473	1,178,506	7.1%
Operating Costs	652,556	732,945	742,605	740,548	752,707	2.7%
Capital Outlay	-	-	-	-	-	N/A
<b>Total</b>	<b>1,473,036</b>	<b>1,833,090</b>	<b>1,838,230</b>	<b>1,664,021</b>	<b>1,931,213</b>	<b>5.4%</b>

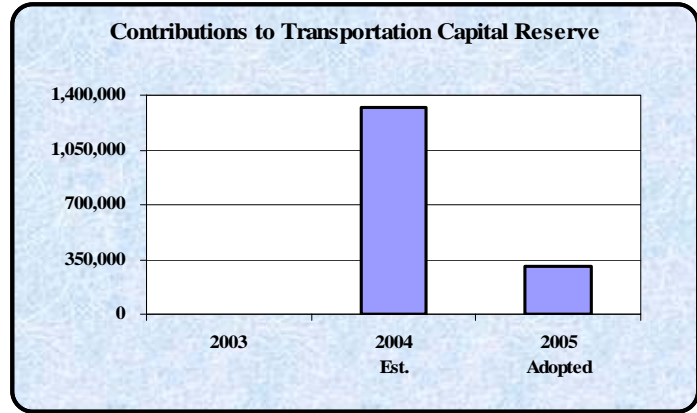
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# ***TRANSPORTATION CAPITAL RESERVE FUND***

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The Transportation Capital Reserve Fund is used to account for funds reserved for matching capital funds for buses and facilities related to the Town's transportation system.

Donations vary substantially from year to year depending upon anticipated future needs for reserves.



## **TRANSPORTATION CAPITAL RESERVE BUDGET SUMMARY**

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*The adopted budget for the Transportation Capital Reserve Fund reflects a total decrease of 21.6%. This decrease is comprised of an increase in matching requirements for transportation grants of \$222,000 and a decrease in the contribution to the Reserve of \$351,698. The Town was able to contribute more to the Reserve during 2003-04 than originally anticipated because of a one-time allocation of State Highway funds to the Town's transit operations.*

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### **EXPENDITURES**

	<b>2002-03 Actual</b>	<b>2003-04 Original Budget</b>	<b>2003-04 Revised Budget</b>	<b>2003-04 Estimated</b>	<b>2004-05 Adopted Budget</b>	<b>% Change from 2003-04</b>
Land Purchase	252,318	-	-	-	-	N/A
Contribution to Capital Grant	468,692	164,000	164,000	164,000	386,000	135.4%
Contribution to Reserve	-	435,942	1,325,279	1,325,279	84,244	-80.7%
<b>Total</b>	<b>721,010</b>	<b>599,942</b>	<b>1,489,279</b>	<b>1,489,279</b>	<b>470,244</b>	<b>-21.6%</b>

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### **REVENUES**

	<b>2002-03 Actual</b>	<b>2003-04 Original Budget</b>	<b>2003-04 Revised Budget</b>	<b>2003-04 Estimated</b>	<b>2004-05 Adopted Budget</b>	<b>% Change from 2003-04</b>
Interest Income	2,069	-	-	-	-	N/A
Transfer from Transportation	669,536	599,942	1,489,279	1,489,279	470,244	-21.6%
Appropriated Fund Balance	49,405	-	-	-	-	N/A
<b>Total</b>	<b>721,010</b>	<b>599,942</b>	<b>1,489,279</b>	<b>1,489,279</b>	<b>470,244</b>	<b>-21.6%</b>

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# ***TRANSIT CAPITAL GRANT PROJECT ORDINANCES***

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Transit capital and planning grants awarded by the Federal Transit Administration are implemented pursuant to grant project ordinances authorized by General Statute 159-13.12. Three current project ordinances in the Transportation Department are shown below:

## 2001-02 Transit Capital and Planning Grant

The project ordinance for the FY2001-02 Section 5307 capital and planning transit grant was adopted on October 22, 2001. Funds are being used to purchase engine/transmission rebuilds and air compressors for the bus fleet. Planning funds were included to assist administrative staff in conducting transit planning activities including the evaluation of compliance with the Americans with Disabilities Act, development of the 2025 regional plan, a bike/pedestrian plan and the annual Transportation Improvement Plan.

	Project Budget	Estimated Expenditures Through June 30, 2004
2001-02 Transit Capital and Planning Grant	\$334,326	\$334,326

## 2002-03 Transit Capital and Planning Grant

The project ordinance for the FY2002-03 Section 5307 capital and planning transit grant was adopted on May 12, 2003. Funds are being used to purchase engine/transmission rebuilds and air compressors for the bus fleet. Funds will also be used to purchase 3 replacement lift-equipped vans and 3 support vehicles. Two new radio repeaters will be purchased and lease payments made for the Carrboro Plaza Park/Ride Lot and the modular unit used to by the Operations Division administrative staff. Planning funds were included to assist administrative staff in conducting transit planning activities including the evaluation of compliance with the Americans with Disabilities Act, continued development of the 2025 regional plan, and preparation of the Unified Planning Work Program.

	Project Budget	Estimated Expenditures Through June 30, 2004
2002-03 Transit Capital and Planning Grant	\$518,785	\$268,965

## 2003-04 Transit Planning Grant

The project ordinance for the FY2003-04 Section 5303 planning grant was adopted on June 23, 2003. Funds are being used to prepare the annual update of the Transportation Improvement Plan, review of the transit system's operations and review of the urbanized area's distribution of formula funds allocated by the Federal Transit Administration.

	Project Budget	Estimated Expenditures Through June 30, 2004
2003-04 Transit Planning Grant	\$67,350	\$67,350