



October 19, 2016

To: Fox Cities Transit Commission
Appleton City Council

From: Ronald McDonald, General Manager

Subject: Valley Transit 2017 Budget

The 2017 Valley Transit budget was released as part of the Mayor's budget to the Appleton Common Council on Wednesday, October 5, 2016. Budget Saturday, when alderpersons can ask questions about each of the individual department budgets is scheduled for Saturday, October 29, 2016. Valley Transit is scheduled to discuss the budget between 8:00 and 10:00 AM. The public hearing on the Appleton Budget is scheduled for 6:00 PM on Wednesday, November 2, 2016 and the final Budget Adoption is scheduled for Wednesday, November 9, 2016 starting at 7:00 PM. All meetings are public and you are invited and encouraged to attend.

This year's Valley Transit budget shows an overall increase of 2.84% with municipal local shares proposed to increase by approximately 10%. The areas of major increase are Administration (3.8%), Vehicle Maintenance (5.09%) and Facilities Maintenance (21.76%). The ADA Paratransit budget is proposed to decrease by 1.76%.

Valley Transit is assuming a combined State and Federal operating assistance of 57%.

Specific line items in the budget that have increased or decreased significantly between 2016 and 2017 are:

Administration:

- Consulting – Valley Transit is required to complete a Transit Development Plan in 2017 at an estimated cost of \$100,000 (\$80,000 grant revenue, \$20,000 local share)
- Addition of an Administrative Assistant position (.6 FTE) to provide support to management staff. The position is funded partially in Administration, Operations and ADA Paratransit and will be allocated accordingly.
- Insurance – For the past couple of years, Valley Transit has been able to budget a return of surplus from TMI. There is no plan for a return of surplus funds for 2017.

Vehicle Maintenance:

- Vehicle Repairs & Maintenance – This line item has been increased as we have found that the Arboc buses are being sent out for repairs more frequently.
- Equipment Repairs & Maintenance – As Valley Transit's equipment continues to age, more repairs are needed.

Facilities Maintenance:

- Infrastructure Construction – Valley Transit will be repairing the roadway alongside of the Transit Center during 2017 (\$13,600 grant revenue, \$3,400 local share).

Operations:

- Vehicle & Equipment Parts – Tire disposal and repair and the cost of tire caps have increased along with the price of new tires.

ADA Paratransit:

- Regular Salaries – Increase reflects an increased allocation of the Paratransit Coordinator for greater oversight of ADA contracts as required by the Federal Transit Administration.
- Contractor Fees – The reduction in this line item is due to a new three year contract with the service provider at a lower cost per trip.
- Other Contracts/Obligations – The reduction in this line item is a result of ADA Certifications being done by the Paratransit Coordinator versus a contracted service.

Ancillary Paratransit:

- Contractor Fees – The increase in contractor fees is mostly due to increased costs for the Family Care specialized employment transportation and New Hope employment transportation services.