



HAMPTON ROADS  
TRANSIT

# FY16/17 Operating Budget-in-Brief Commission Meeting May 26, 2016

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# Governing Board

## Transportation District Commission of Hampton Roads (TDCHR)

### **Norfolk**

The Honorable Barclay C. Winn  
Commissioner Dr. James P. Toscano, Chair

### **Virginia Beach**

The Honorable James L. Wood, Vice Chair  
Commissioner Linwood Branch

### **Chesapeake**

The Honorable Richard W. West  
Commissioner Douglas W. Fuller

### **Hampton**

The Honorable Will J. Moffett, Former Chair  
Commissioner Robert R. Harper Jr.

### **Portsmouth**

The Honorable Kenneth I. Wright  
Commissioner Charles B. Hunter

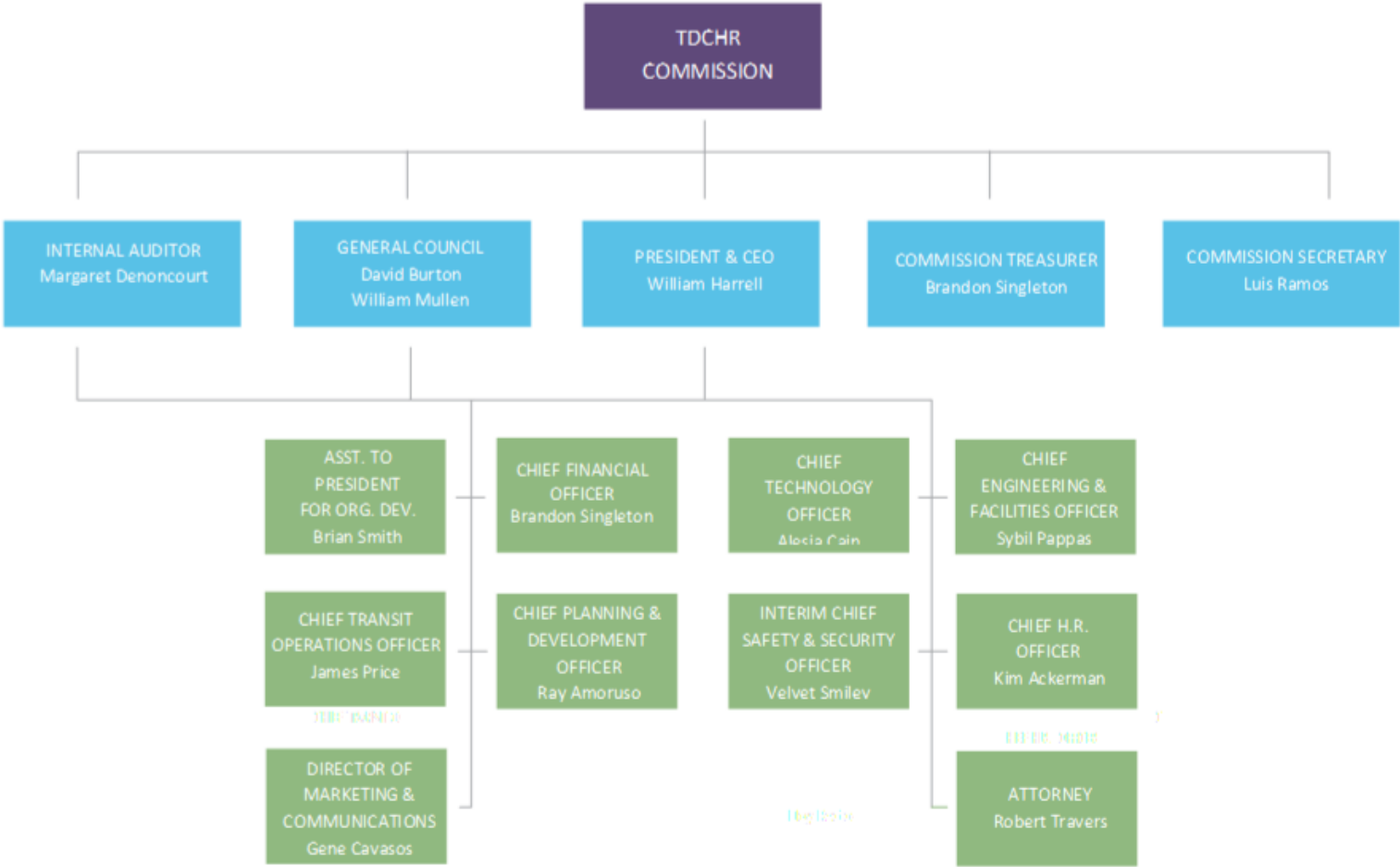
### **Newport News**

The Honorable Dr. Patricia P. Woodbury  
Commissioner Allen C. Tanner Jr.

**Commonwealth Transportation Board - Virginia Department of Rail and Public  
Transportation (VDRPT)**

Jennifer Mitchell

# Organizational Chart



# Budget Overview

## Budget Objectives

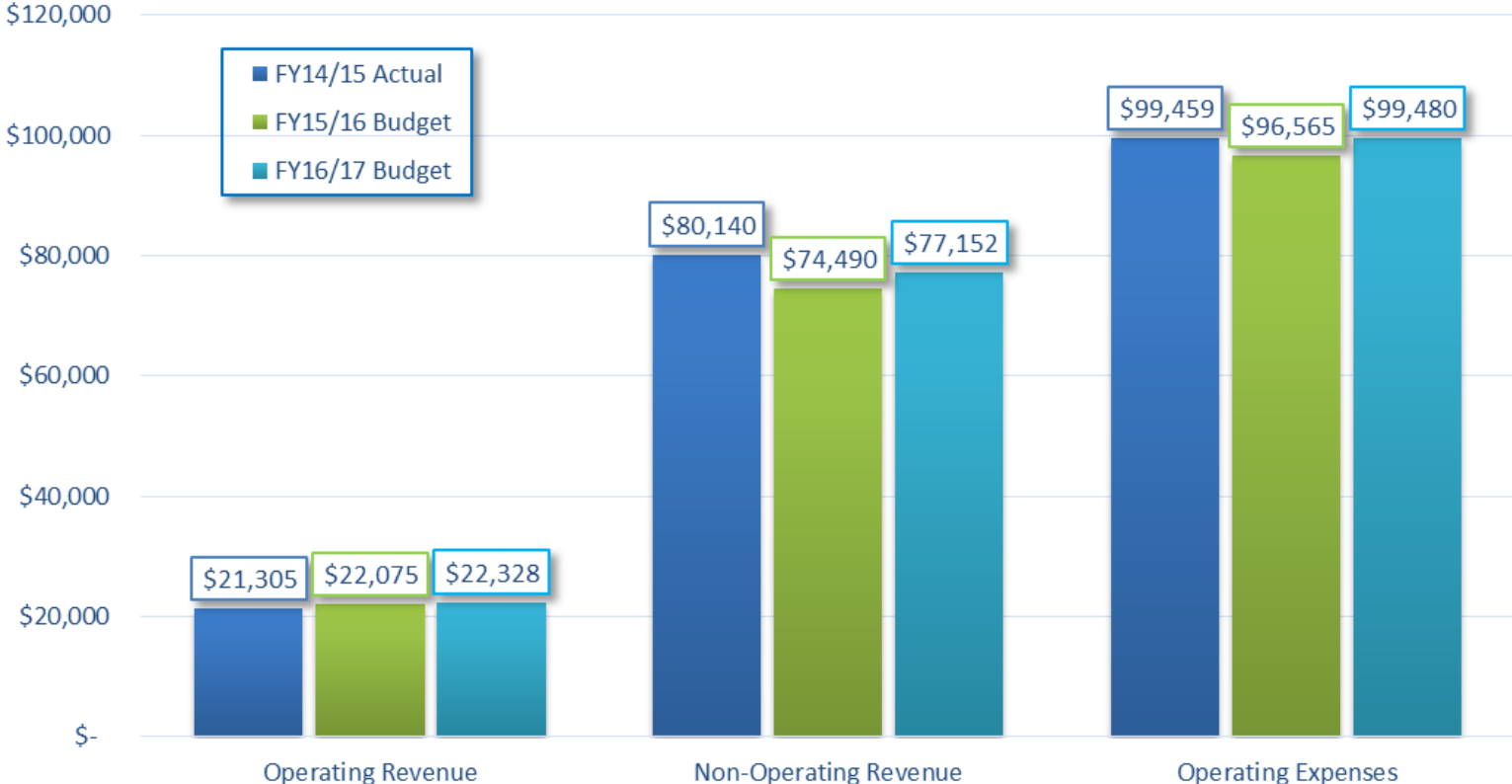
- Ensure core service levels are maintained and/or increased across all modes
- Increase ridership across all modes of service
- Continue SHIFT to a state of good repair on buses, ferries and trains
- Increase focus on passenger amenities and safety
- Address technology needs

## Budget Assumptions

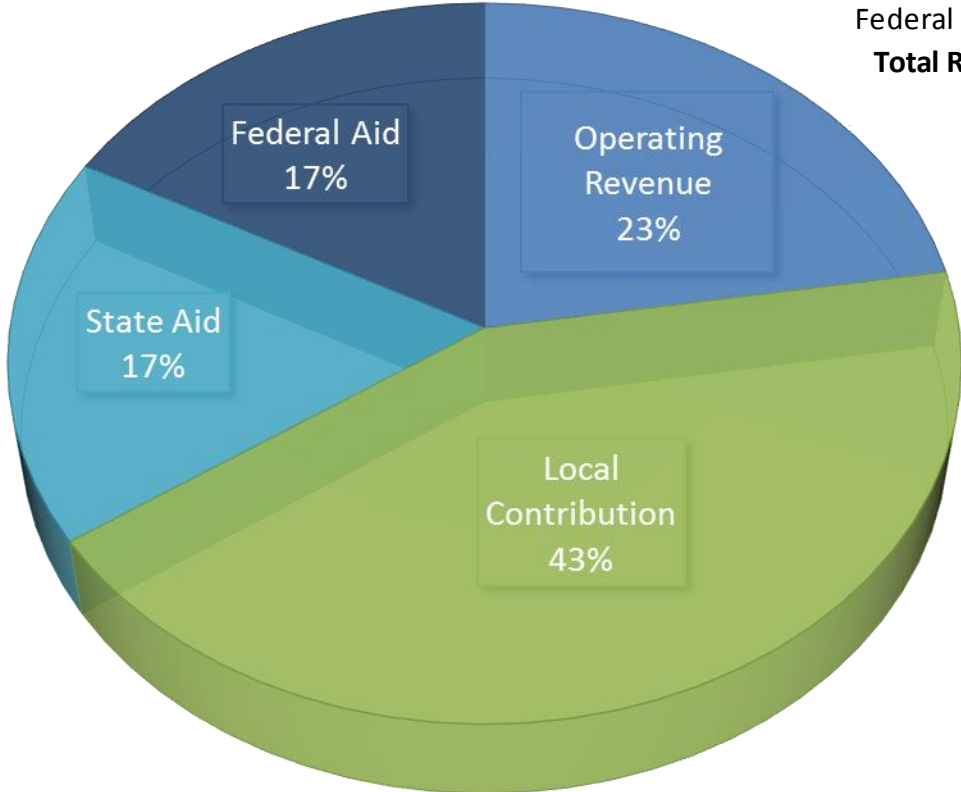
- Defer the scheduled second phase of the fixed-route fare adjustment
- Recognize the incremental fare increase for Paratransit services of \$.50
  - ✓ Paratransit card holders may utilize fixed route services free of charge
- Advertising revenue enhancements to include local and national wine and brewery accounts
- Reinstate the Ferry 2-ride pass

# Budget Summary (in thousands)

	<b>FY14/15</b>	<b>FY15/16</b>	<b>FY16/17</b>	<b>\$ Δ</b>	<b>% Δ</b>
	<b>Actual</b>	<b>Approved Budget</b>	<b>Proposed Budget</b>	<b>Prior Year</b>	<b>Prior Year</b>
Operating Revenue	\$ 21,305	\$ 22,075	\$ 22,328	\$ 253	1.1%
Non-Operating Revenue	80,140	74,490	77,152	2,662	3.6%
<b>Total Revenue</b>	<b>\$101,445</b>	<b>\$ 96,565</b>	<b>\$ 99,480</b>	<b>\$ 2,915</b>	<b>3.0%</b>
<b>Operating Expenses</b>	<b>\$ 99,459</b>	<b>\$ 96,565</b>	<b>\$ 99,480</b>	<b>\$ 2,915</b>	<b>3.0%</b>



# Revenue Budget (in thousands)

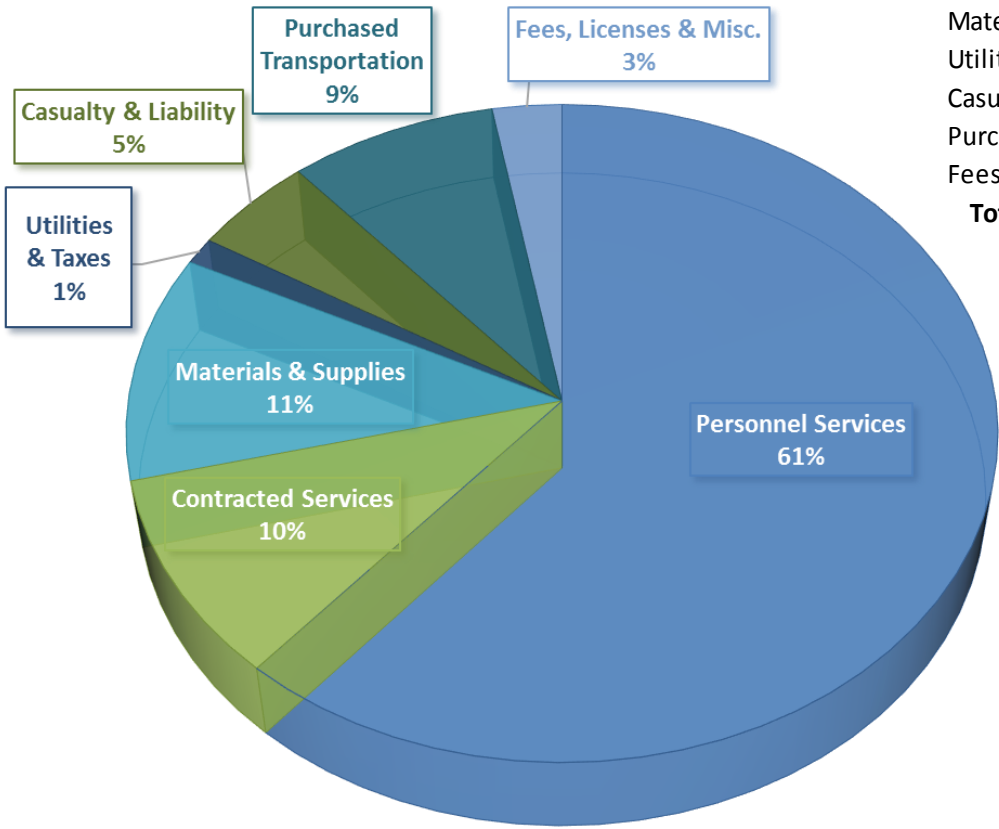


	FY15/16 Approved Budget	FY16/17 Proposed Budget	\$ Δ Prior Year	% Δ Prior Year
Operating Revenue	\$ 22,075	\$ 22,328	\$ 253	1.1%
Local Contribution	40,597	42,770	2,173	5.4%
State Aid	16,851	17,339	488	2.9%
Federal Aid	17,042	17,043	1	0.0%
<b>Total Revenues</b>	<b>\$ 96,565</b>	<b>\$ 99,480</b>	<b>\$ 2,915</b>	<b>3.0%</b>

### Budgetary Highlights

- Flat passenger revenue, enhanced advertising sales
- Slight increase in Local contribution, primarily due to **2.7%** increase in bus service
- Marginal increase in State funding
- Flat Federal funding

# Expense Budget (in thousands)



	FY15/16 Approved Budget	FY16/17 Proposed Budget	\$ Δ Prior Year	% Δ Prior Year
Personnel Services	\$ 56,269	\$ 60,963	\$ 4,694	8.3%
Contracted Services	9,440	9,807	367	3.9%
Materials & Supplies	13,257	11,135	(2,122)	-16.0%
Utilities & Taxes	1,328	1,319	(9)	-0.7%
Casualty & Liability	5,174	4,977	(197)	-3.8%
Purchased Transportation	7,987	8,452	465	5.8%
Fees, Licenses & Misc.	3,110	2,827	(283)	-9.1%
<b>Total Expenses</b>	<b>\$ 96,565</b>	<b>\$ 99,480</b>	<b>\$ 2,915</b>	<b>3.0%</b>

## Budgetary Highlights

- Personnel services increase of **8.3%** is primarily due to additional Technology & Facilities staff in Admin.; Bus Operators in Ops.
- Contracted services increase of **3.9%** due to improving facility cleanliness
- Materials & supplies decrease of **16%** due to fuel savings of **\$2.3 M**
- Utilities remain flat
- Casualty & liability savings continue in FY16/17
- Purchased transportation increase of **5.8%** due to a significant uptick in Paratransit trips

# Active Position Count Comparison






## Position Additions in FY16/17

- Administrative Division:
  - + (FT) 6 Technology , 4 Facilities, 1 Marketing;
  - + (PT) 1 Technology, 4 Facilities, 2 Revenue Service
  
- Operations Division:
  - + (FT) 14 bus operators, 2 bus supervisors, 1 safety trainer, 1 safety manager, 2 LRT maintenance;
  - + (PT) 1 seasonal bus supervisor, 1 security video tech, 1 file clerk, 1 seasonal cleaner

Division	FY16/17		FY15/16		Δ	
	FT	PT	FT	PT	FT	PT
<b>Administrative</b>	194	24	183	17	11	7
<b>Operations</b>						
Administration	128	11	124	8	4	3
Operators	505	66	491	66	14	0
Maintenance	148	7	146	6	2	1
<b>Total Operations</b>	<b>781</b>	<b>84</b>	<b>761</b>	<b>80</b>	<b>20</b>	<b>4</b>
<b>Total Active Positions</b>	<b>975</b>	<b>108</b>	<b>944</b>	<b>97</b>	<b>31</b>	<b>11</b>



# Service Cost – Summary (in millions)

	<i>BUS</i>			<i>RAIL</i>			<i>FERRY</i>			<i>PARATRANSIT</i>			<i>TOTAL MODAL</i>		
															
	FY	FY	Δ	FY	FY	Δ	FY	FY	Δ	FY	FY	Δ	FY	FY	Δ
	15/16	16/17		15/16	16/17		15/16	16/17		15/16	16/17		15/16	16/17	
<i>Chesapeake</i>	\$ 1.7	\$ 1.9	\$ 0.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.7	\$ 0.7	\$ -	\$ 2.4	\$ 2.6	\$ 0.2
<i>Norfolk</i>	11.0	11.0	-	6.0	6.2	0.2	0.1	0.3	0.2	1.6	1.9	0.3	18.7	19.3	0.6
<i>Portsmouth</i>	2.2	2.2	0.0			-	0.1	0.3	0.2	0.5	0.4	(0.1)	2.8	2.9	0.1
<i>VA Beach</i>	4.9	5.3	0.4			-			-	1.4	1.6	0.2	6.3	6.9	0.6
<i>Hampton</i>	3.4	3.5	0.1			-			-	1.1	1.1	0.0	4.5	4.6	0.1
<i>Newport News</i>	5.2	5.9	0.7	-	-	-	-	-	-	1.3	1.5	0.2	6.5	7.4	0.9
<b>Total</b>	<b>\$ 28.4</b>	<b>\$ 29.8</b>	<b>\$ 1.4</b>	<b>\$ 6.0</b>	<b>\$ 6.2</b>	<b>\$ 0.2</b>	<b>\$ 0.2</b>	<b>\$ 0.6</b>	<b>\$ 0.4</b>	<b>\$ 6.6</b>	<b>\$ 7.2</b>	<b>\$ 0.6</b>	<b>\$ 41.2</b>	<b>\$ 43.7</b>	<b>\$ 2.5</b>

Note: bus service cost includes Commission expenses and Advanced Capital Contribution (ACC)

# Service Cost – System-wide

<i>SYSTEM-WIDE</i>	<b>Bus</b>	<b>Rail</b>	<b>Ferry</b>	<b>Paratransit</b>	<b>Total</b>
FY16/17 Service Hours	762,260	29,948	6,615	224,320	1,023,143
Operating Cost per Hour	\$ 88.21	\$ 349.26	\$ 210.56	\$ 64.26	\$ 91.39
<b>Total Service Cost</b>	<b>\$ 67,241,134</b>	<b>\$ 10,459,530</b>	<b>\$ 1,392,884</b>	<b>\$ 14,415,047</b>	<b>\$ 93,508,595</b>
<b>Farebox Revenue</b>	<b>\$ 15,369,221</b>	<b>\$ 1,765,940</b>	<b>\$ 471,045</b>	<b>\$ 1,144,253</b>	<b>\$ 18,750,459</b>
Farebox Recovery %	23%	17%	34%	8%	20%
<b>State Operating Assistance</b>	<b>\$ 12,460,015</b>	<b>\$ 1,946,847</b>	<b>\$ 248,560</b>	<b>\$ 2,683,095</b>	<b>\$ 17,338,517</b>
State Operating Assistance %	19%	19%	19%	19%	19%
<b>Federal Operating Assistance</b>	<b>\$ 11,477,970</b>	<b>\$ 575,274</b>	<b>\$ 116,180</b>	<b>\$ 3,403,826</b>	<b>\$ 15,573,250</b>
Federal Operating Assistance %	15%	5%	8%	23%	16%
<b>Local Service Cost</b>	<b>\$ 27,933,928</b>	<b>\$ 6,171,469</b>	<b>\$ 557,099</b>	<b>\$ 7,183,873</b>	<b>\$ 41,846,369</b>
Local Service Cost %	43%	59%	39%	50%	45%

Commission Expense	\$ 949,866
Advance Capital Contribution	\$ 2,000,000
ERC Local Service Cost	\$ (1,083,208)
<b>Total Local Service Cost</b>	<b>\$ 43,713,027</b>

# Service Cost – Chesapeake

<i>CITY OF CHESAPEAKE</i>	Bus	Paratransit	Total
FY16/17 Service Hours	42,017	23,279	65,296
Operating Cost per Hour	\$ 88.21	\$ 64.26	\$ 79.67
<b>Total Service Cost</b>	<b>\$ 3,706,320</b>	<b>\$ 1,495,934</b>	<b>\$ 5,202,254</b>
<b>Farebox Revenue</b>	<b>\$ 838,082</b>	<b>\$ 119,125</b>	<b>\$ 957,207</b>
Farebox Recovery %	23%	8%	18%
<b>State Operating Assistance</b>	<b>\$ 689,865</b>	<b>\$ 278,440</b>	<b>\$ 968,305</b>
State Operating Assistance %	19%	19%	19%
<b>Federal Operating Assistance</b>	<b>\$ 557,645</b>	<b>\$ 353,235</b>	<b>\$ 910,880</b>
Federal Operating Assistance %	14%	23%	18%
<b>Local Service Cost</b>	<b>\$ 1,620,728</b>	<b>\$ 745,134</b>	<b>\$ 2,365,862</b>
Local Service Cost %	44%	50%	45%

Commission Expense	\$ 158,311
Advance Capital Contribution	\$ 135,561
<b>Total Local Service Cost</b>	<b>\$ 2,659,734</b>

# Service Cost – Norfolk

<i>CITY OF NORFOLK</i>	Bus	Rail	Ferry	Paratransit	Total
FY16/17 Service Hours	265,740	29,948	3,120	59,750	358,558
Operating Cost per Hour	\$ 88.21	\$ 349.26	\$ 210.56	\$ 64.26	\$ 107.09
<b>Total Service Cost</b>	<b>\$ 23,441,775</b>	<b>\$ 10,459,530</b>	<b>\$ 656,961</b>	<b>\$ 3,839,600</b>	<b>\$ 38,397,866</b>
<b>Farebox Revenue</b>	<b>\$ 5,392,519</b>	<b>\$ 1,765,940</b>	<b>\$ 221,764</b>	<b>\$ 304,623</b>	<b>\$ 7,684,846</b>
Farebox Recovery %	23%	17%	34%	8%	20%
<b>State Operating Assistance</b>	<b>\$ 4,363,251</b>	<b>\$ 1,946,847</b>	<b>\$ 122,281</b>	<b>\$ 714,671</b>	<b>\$ 7,147,050</b>
State Operating Assistance %	19%	19%	19%	19%	19%
<b>Federal Operating Assistance</b>	<b>\$ 3,527,002</b>	<b>\$ 575,274</b>	<b>\$ 57,156</b>	<b>\$ 906,645</b>	<b>\$ 5,066,077</b>
Federal Operating Assistance %	15%	5%	8%	23%	13%
<b>Local Service Cost</b>	<b>\$ 10,159,003</b>	<b>\$ 6,171,469</b>	<b>\$ 255,760</b>	<b>\$ 1,913,661</b>	<b>\$ 18,499,893</b>
Local Service Cost %	43%	59%	39%	50%	48%

Commission Expense	\$ 158,311
Advance Capital Contribution	\$ 744,418
<b>Total Local Service Cost</b>	<b>\$ 19,402,622</b>

# Service Cost – Portsmouth

<i>CITY OF PORTSMOUTH</i>	Bus	Ferry	Paratransit	Total
FY16/17 Service Hours	45,975	3,222	12,445	61,642
Operating Cost per Hour	\$ 88.21	\$ 210.56	\$ 64.26	\$ 89.77
<b>Total Service Cost</b>	<b>\$ 4,055,486</b>	<b>\$ 678,439</b>	<b>\$ 799,729</b>	<b>\$ 5,533,654</b>
<b>Farebox Revenue</b>	<b>\$ 765,963</b>	<b>\$ 229,253</b>	<b>\$ 62,820</b>	<b>\$ 1,058,036</b>
Farebox Recovery %	19%	34%	8%	19%
<b>State Operating Assistance</b>	<b>\$ 754,852</b>	<b>\$ 126,279</b>	<b>\$ 148,855</b>	<b>\$ 1,029,986</b>
State Operating Assistance %	19%	19%	19%	19%
<b>Federal Operating Assistance</b>	<b>\$ 610,180</b>	<b>\$ 59,024</b>	<b>\$ 188,840</b>	<b>\$ 858,044</b>
Federal Operating Assistance %	15%	8%	23%	15%
<b>Local Service Cost</b>	<b>\$ 1,924,491</b>	<b>\$ 263,883</b>	<b>\$ 399,214</b>	<b>\$ 2,587,588</b>
Local Service Cost %	47%	39%	50%	47%

Commission Expense	\$ 158,311
Advance Capital Contribution	\$ 127,975
<b>Total Local Service Cost</b>	<b>\$ 2,873,874</b>

# Service Cost – Virginia Beach

<b>CITY OF VIRGINIA BEACH</b>	<b>Bus</b>	<b>Trolley</b>	<b>Special Service</b>	<b>Paratransit</b>	<b>Total</b>
FY16/17 Service Hours	99,044	19,755	2,245	48,598	169,642
Operating Cost per Hour	\$ 88.21	\$ 88.21	\$ 88.21	\$ 64.26	\$ 81.35
<b>Total Service Cost</b>	<b>\$ 8,736,950</b>	<b>\$ 1,742,626</b>	<b>\$ 198,036</b>	<b>\$ 3,122,960</b>	<b>\$ 13,800,572</b>
<b>Farebox Revenue</b>	<b>\$ 1,799,675</b>	<b>\$ 497,031</b>	<b>\$ -</b>	<b>\$ 247,899</b>	<b>\$ 2,544,605</b>
Farebox Recovery %	21%	29%	0%	8%	18%
<b>State Operating Assistance</b>	<b>\$ 1,626,222</b>	<b>\$ 324,357</b>	<b>\$ 36,861</b>	<b>\$ 581,281</b>	<b>\$ 2,568,721</b>
State Operating Assistance %	19%	19%	19%	19%	19%
<b>Federal Operating Assistance</b>	<b>\$ 1,314,544</b>	<b>\$ 262,192</b>	<b>\$ 29,796</b>	<b>\$ 737,425</b>	<b>\$ 2,343,957</b>
Federal Operating Assistance %	14%	15%	15%	23%	17%
<b>Local Service Cost</b>	<b>\$ 3,996,509</b>	<b>\$ 659,046</b>	<b>\$ 131,379</b>	<b>\$ 1,556,355</b>	<b>\$ 6,343,289</b>
Local Service Cost %	46%	37%	66%	50%	46%

Commission Expense	\$	158,311
Advance Capital Contribution	\$	352,200
<b>Total Local Service Cost</b>	<b>\$</b>	<b>6,853,800</b>

# Service Cost – Hampton

<i>CITY OF HAMPTON</i>	<b>Bus</b>	<b>Paratransit</b>	<b>Total</b>
FY16/17 Service Hours	80,898	34,747	115,645
Operating Cost per Hour	\$ 88.21	\$ 64.26	\$ 81.02
<b>Total Service Cost</b>	<b>\$ 7,136,194</b>	<b>\$ 2,232,880</b>	<b>\$ 9,369,074</b>
<b>Farebox Revenue</b>	<b>\$ 1,674,182</b>	<b>\$ 177,224</b>	<b>\$ 1,851,406</b>
Farebox Recovery %	23%	8%	20%
<b>State Operating Assistance</b>	<b>\$ 1,328,269</b>	<b>\$ 415,610</b>	<b>\$ 1,743,879</b>
State Operating Assistance %	19%	19%	19%
<b>Federal Operating Assistance</b>	<b>\$ 1,073,698</b>	<b>\$ 527,250</b>	<b>\$ 1,600,948</b>
Federal Operating Assistance %	15%	23%	16%
<b>Local Service Cost</b>	<b>\$ 3,060,045</b>	<b>\$ 1,112,796</b>	<b>\$ 4,172,841</b>
Local Service Cost %	43%	50%	45%

Commission Expense	\$	158,311
Advance Capital Contribution	\$	240,094
<b>Total Local Service Cost</b>	<b>\$</b>	<b>4,571,246</b>

# Service Cost – Newport News

<b>CITY OF NEWPORT NEWS</b>	<b>Bus</b>	<b>Special Service</b>	<b>Paratransit</b>	<b>Total</b>
FY16/17 Service Hours	146,402	642	45,501	192,545
Operating Cost per Hour	\$ 88.21	\$ 88.21	\$ 64.26	\$ 82.55
<b>Total Service Cost</b>	<b>\$ 12,914,625</b>	<b>\$ 56,633</b>	<b>\$ 2,923,944</b>	<b>\$ 15,895,202</b>
<b>Farebox Revenue</b>	<b>\$ 3,268,295</b>	<b>\$ -</b>	<b>\$ 232,562</b>	<b>\$ 3,500,857</b>
Farebox Recovery %	25%	0%	8%	22%
<b>State Operating Assistance</b>	<b>\$ 2,403,818</b>	<b>\$ 10,541</b>	<b>\$ 544,238</b>	<b>\$ 2,958,597</b>
State Operating Assistance %	19%	19%	19%	19%
<b>Federal Operating Assistance</b>	<b>\$ 1,943,108</b>	<b>\$ 8,521</b>	<b>\$ 690,431</b>	<b>\$ 2,642,060</b>
Federal Operating Assistance %	15%	15%	23%	16%
<b>Local Service Cost</b>	<b>\$ 5,299,404</b>	<b>\$ 37,571</b>	<b>\$ 1,456,713</b>	<b>\$ 6,793,688</b>
Local Service Cost %	41%	66%	50%	43%

Commission Expense	\$ 158,311
Advance Capital Contribution	\$ 399,752
<b>Total Local Service Cost</b>	<b>\$ 7,351,751</b>

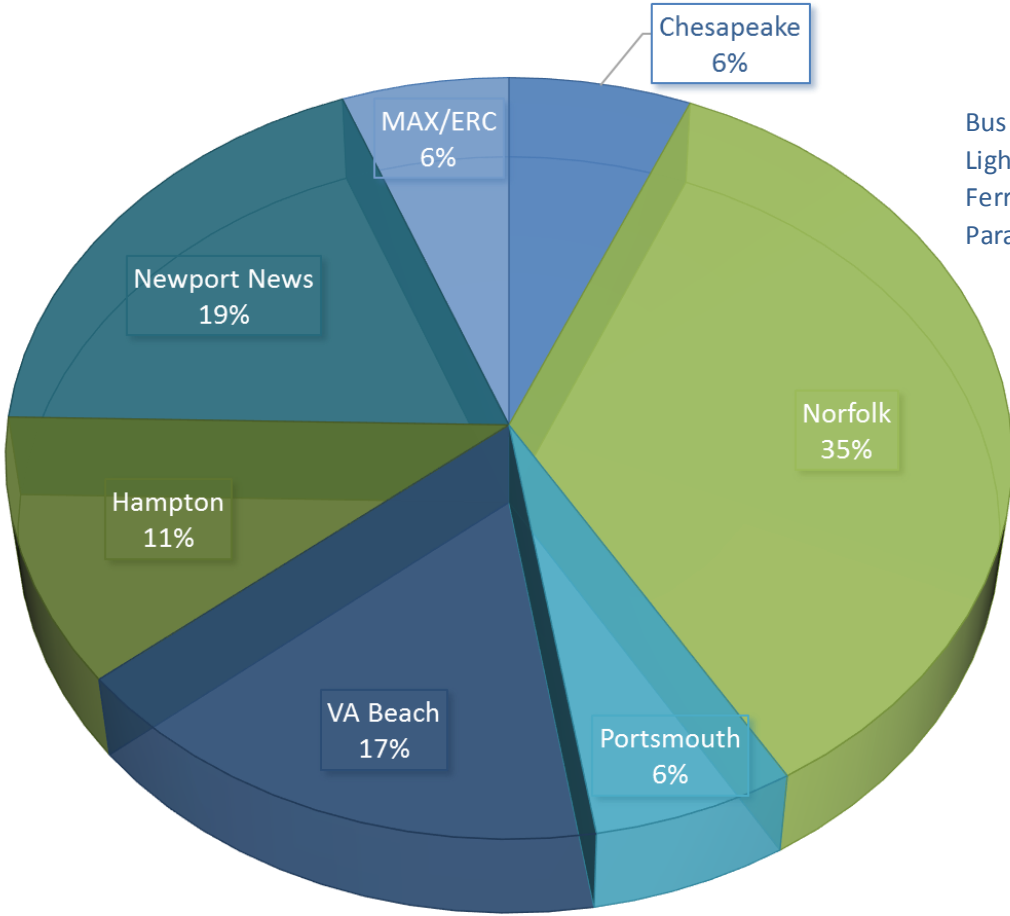


# Service Cost – MAX & ERC

<b>MAX &amp; ERC</b>	<b>MAX Bus</b>	<b>ERC Bus</b>	<b>ERC Ferry</b>	<b>Total</b>
FY16/17 Service Hours	44,763	14,779	273	59,815
Operating Cost per Hour	\$ 88.21	\$ 88.21	\$ 210.56	\$ 88.77
<b>Total Service Cost</b>	<b>\$ 3,948,742</b>	<b>\$ 1,303,747</b>	<b>\$ 57,484</b>	<b>\$ 5,309,973</b>
<b>Farebox Revenue</b>	<b>\$ 875,479</b>	<b>\$ 257,995</b>	<b>\$ 20,028</b>	<b>\$ 1,153,502</b>
Farebox Recovery %	22%	20%	35%	22%
<b>State Operating Assistance</b>	<b>\$ 921,979</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 921,979</b>
State Operating Assistance %	23%	0%	0%	17%
<b>Federal Operating Assistance</b>	<b>\$ 2,151,284</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,151,284</b>
Federal Operating Assistance %	55%	0%	0%	41%
<b>ERC Local Service Cost*</b>	<b>\$ -</b>	<b>\$ 1,045,752</b>	<b>\$ 37,456</b>	<b>\$ 1,083,208</b>
Local Service Cost %	0%	80%	65%	20%

\* Elizabeth River Crossing contribution

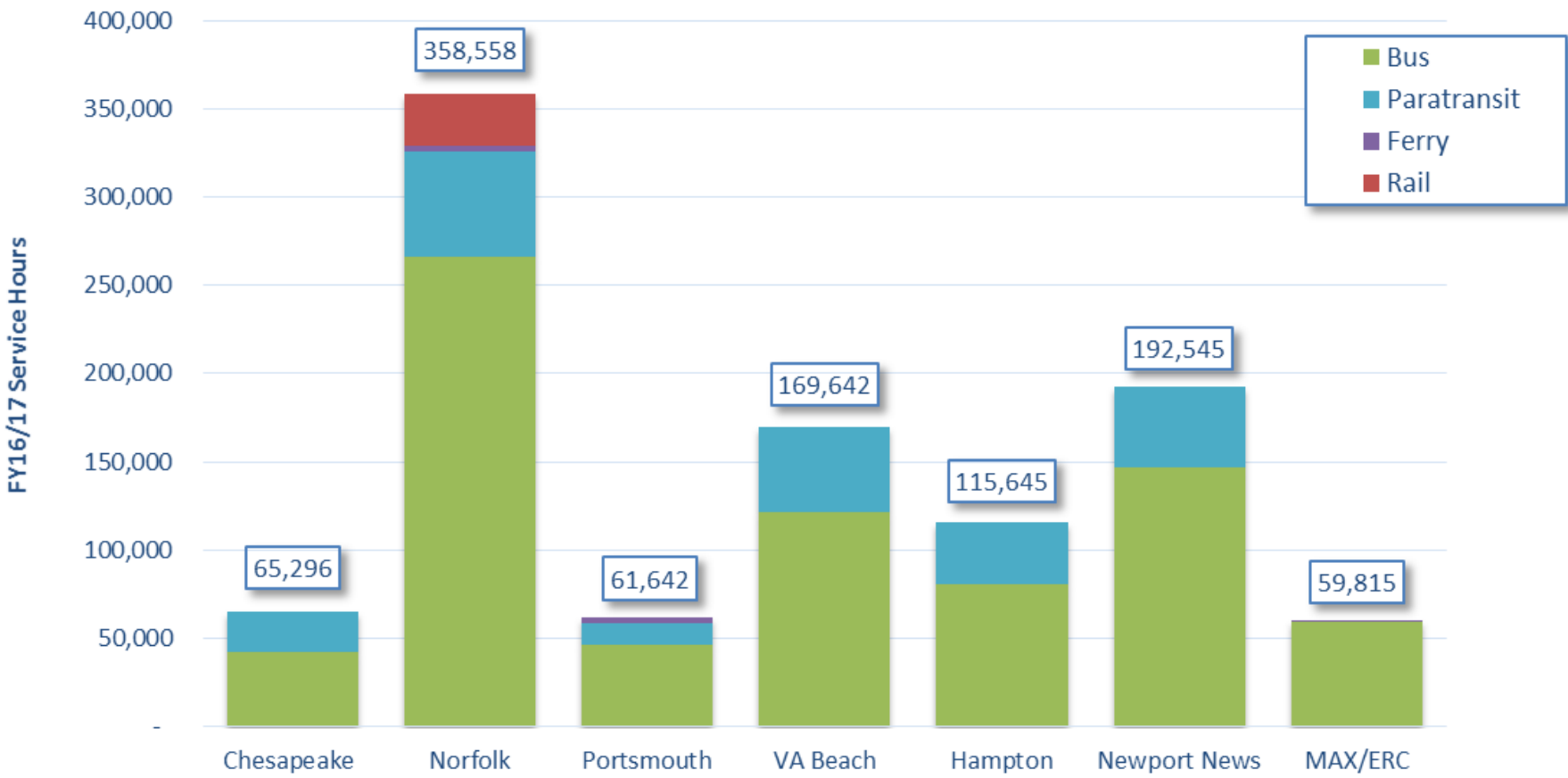
# Service Hour Comparison



	FY15/16 Approved	FY16/17 Proposed	△ Prior Year	% △ Prior Year
Bus	742,421	762,260	19,839	2.7%
Light Rail	29,948	29,948	-	0.0%
Ferry	6,476	6,615	139	2.1%
Paratransit	185,432	224,320	38,888	21.0%
<b>Total</b>	<b>964,277</b>	<b>1,023,143</b>	<b>58,866</b>	<b>6.1%</b>

	FY15/16 Approved	FY16/17 Proposed	△ Prior Year	% △ Prior Year
Chesapeake	57,619	65,296	7,677	13.3%
Norfolk	346,989	358,558	11,569	3.3%
Portsmouth	60,786	61,642	856	1.4%
VA Beach	162,224	169,642	7,418	4.6%
Hampton	110,344	115,645	5,301	4.8%
Newport News	169,066	192,545	23,479	13.9%
MAX/ERC	57,249	59,815	2,566	4.5%
<b>Total</b>	<b>964,277</b>	<b>1,023,143</b>	<b>58,866</b>	<b>6.1%</b>

# Service Hours By City & Mode



# Moving Forward

- Aggressively seek cost containment, new revenue opportunities, and strategic partnerships.
- Better communication with our customers through public outreach and community involvement.
- Maintain current and develop new partnerships with other regional agencies and organizations.
- Aggressively implement new ridership initiatives.
- Continue to ensure effective controls over capital and operating funds and programs.
- Continue to focus on safety through proactive safety and security programs across all modes of service.
- Foster a culture of cleanliness related to our customer amenities through regular maintenance and our Adopt-A-Stop program.
- Developing time line for technology infrastructure upgrades to support real time and other customer-centric tools.



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**For more information, please visit**  
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