

Fiscal Year 2023 Operating Budget

TRANSPORTATION DISTRICT COMMISSION OF HAMPTON ROADS
HAMPTON ROADS, VIRGINIA





VISION

MISSION

VALUES

SAFETY:

A progressive mobility agency that promotes prosperity across Hampton Roads through collaboration and teamwork.

To connect Hampton Roads with transportation solutions that are reliable, safe, efficient, and sustainable.

We strive for safety excellence across all areas of our business.

CUSTOMER SERVICE:

We're committed to professional, courteous, and dependable service.

WORKFORCE SUCCESS:

We're committed to effective hiring, training, and ongoing success of every team member.

FISCAL RESPONSIBILITY:

We're dedicated to diligent stewardship that is accountable, transparent, and delivers the most value for our customers and funding partners.

GOALS & OBJECTIVES

PROVIDE A HIGH-QUALITY SERVICE THAT IS EASY TO USE AND ENHANCES PEOPLE'S LIVES.

- + *Provide reliable, safe, equitable, and desirable service, amenities, and information.*
- + *Serve people where and when they need to travel.*
- + *Achieve and maintain a high rate of customer satisfaction.*

FOSTER REGIONAL QUALITY OF LIFE AND ECONOMIC VITALITY.

- + *Contribute to regional congestion mitigation and environmental health and sustainability.*
- + *Maximize access for residents, employees, and visitors to and between regional activity centers, job centers, and workforce development opportunities.*
- + *Build community trust as a valuable partner in a thriving region.*

GOALS & OBJECTIVES

ENSURE FINANCIAL STEWARDSHIP AND COST-EFFECTIVE OPERATIONS.

- + Provide cost-efficient transit service that leverages all available resources to offer the best value for the investment.*
- + Perform asset management that achieves and maintains a state of good repair and sustainability and maximizes investment impacts.*
- + Effectively align and manage resources and processes to maximize workplace productivity, achieve agency goals, and demonstrate safe and sustainable business practices to ensure long-term viability.*

BUILD A CULTURE FOR INNOVATION AND WORKFORCE SUCCESS TO ENSURE HRT REMAINS RELEVANT TO THE DYNAMIC NEEDS OF THE REGION.

- + Continue to progress and innovate collaboratively with our partners and stakeholders to improve service to customers.*
- + Support a diverse and empowered workforce to strengthen core competencies and support an inclusive and productive workplace.*
- + Be an employer of choice and inspire and invest in our workforce and develop future leaders.*

LETTER OF TRANSMITTAL

Dear Shareholders:

Enclosed is the fiscal year 2023 operating budget for Hampton Roads Transit (HRT). This budget reflects \$11.7 million in operating revenues, \$113.8 million in non-operating revenues, and \$125.5 million in expenses. We hope you find this document informative and useful.

As the Commonwealth's largest provider of public transportation, HRT serves six of the seven cities in the Hampton Roads region. Transit is vital to the region's success, and it is only made possible through investments made by our customers and the taxpayers.

The work we do every day here at HRT is guided by our core values: Safety – we strive for safety excellence across all areas of our business; Customer Service — we're committed to professional, courteous and dependable service; Workforce Success—we're committed to effective hiring, training, and ongoing success of every team member; and Fiscal Responsibility—we're dedicated to diligent stewardship that is accountable, transparent, and delivers the most value for our customers and funding partners.

As we continue to emerge from the Covid-19 pandemic, every area of our business adapts to the ever-changing needs of the communities we serve. Operationally, as of May 2023, the Northside is back to pre-pandemic levels of service. The Southside continues to operate on the Service Reliability Plan, with improvements being made as we build back our workforce of bus operators.

Through FY2023 and beyond, we look forward to providing transit services that effectively connect communities and businesses across the region, improving access to jobs, healthcare, education, workforce training, retail, and recreation. We'll continue expanding the 757 Express, which we know will bring new connections, convenience, and faster commutes to current and potential customers alike.

Respectfully,
William E. Harrell
President & Chief Executive Officer





TDCHR COMMISSIONERS

Commissioner Dr. Amelia Ross-Hammond, Chair..... Virginia Beach
Honorable Dr. Patricia P. Woodbury, Vice-Chair.....Newport News
Honorable Andria McClellan, Past-Chair.....Norfolk
Honorable Jimmy Gray.....Hampton
Commissioner Roland White, Hampton.....Hampton
Honorable Don Carey.....Chesapeake
Commissioner Stephen Johnson.....Chesapeake
Commissioner August B. Bullock.....Newport News
Commissioner Rev. Dr. Kirk T. Houston.....Norfolk
Honorable Shannon E. Glover.....Portsmouth
Commissioner Brad Hunter.....Portsmouth
Commissioner Jennifer DeBruhl.....Virginia Commonwealth Transportation Board
Honorable Lionell Spruill, Sr.Virginia State Senator

HAMPTON ROADS TRANSIT STAFF

HRT EXECUTIVE TEAM

William E. Harrell.....	President & Chief Executive Officer
Conner Burns.....	Chief Financial Officer, Commission Treasurer
Luis Ramos.....	Commission Secretary
Malika Blume.....	Internal Auditor
Brian Smith PhD.....	Deputy CEO
Benjamin Simms.....	Chief Transit Operations Officer
Michael Price.....	Chief Information Officer/Chief Technology Officer
Dawn Sciortino.....	Chief Safety Officer
Ray Amoruso.....	Chief Planning and Development Officer
Kim Wolcott.....	Chief Human Resources Officer
Sibyl Pappas.....	Chief Engineering & Facilities Officer
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ORGANIZATIONAL CHART

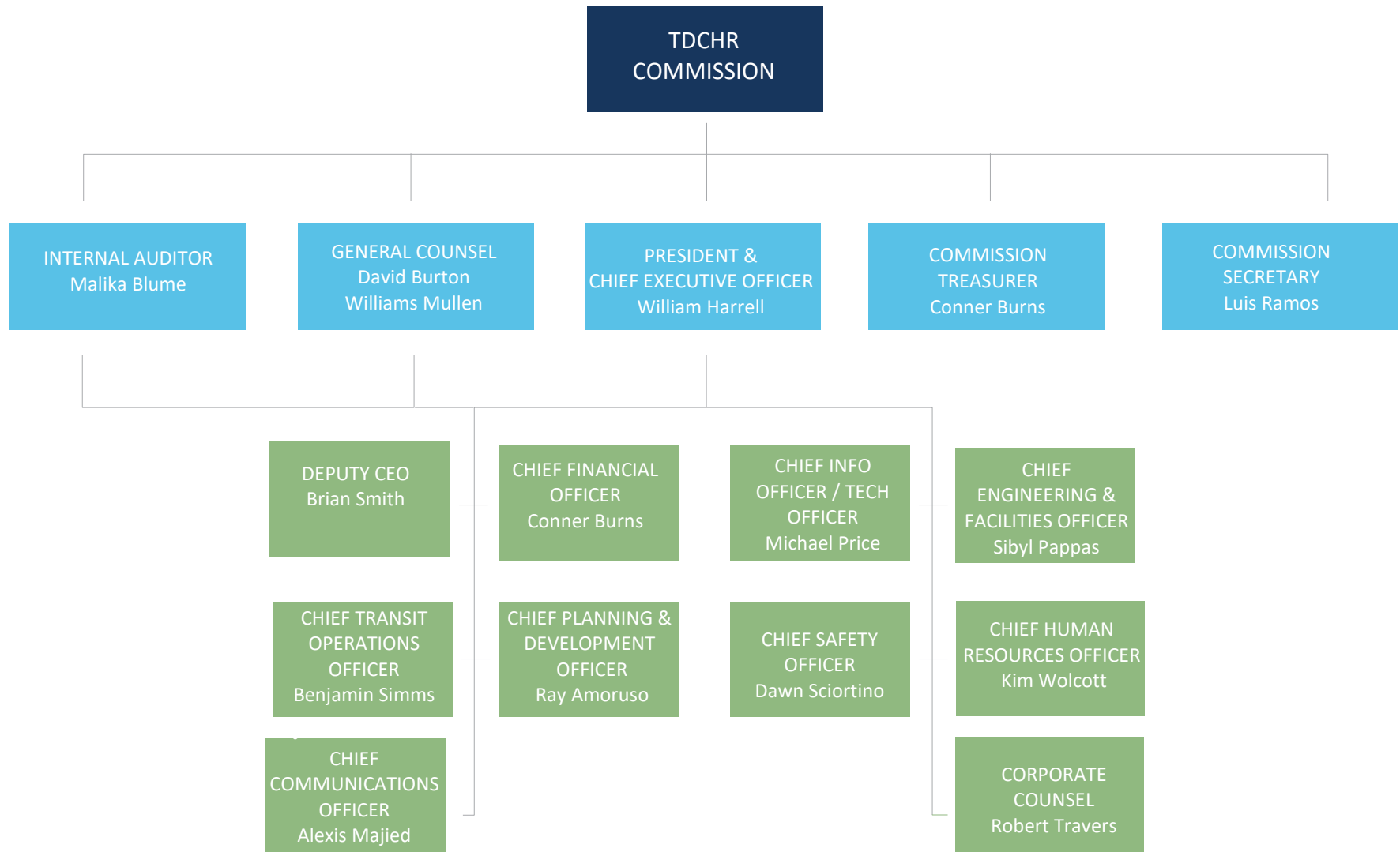


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HISTORY OF HAMPTON ROADS TRANSIT

MASS TRANSIT IN HAMPTON ROADS

Mass transit has a long history in Hampton Roads. Electric trolleys operated on both sides of the Hampton Roads area from before the turn of the 20th century under the operation of several different railway companies. From the 1920's through the 1940's, buses gradually replaced streetcars. Today, ferries, light rail, vans, hybrid-electric buses and varying sizes of transit buses operate in Hampton Roads.

YEAR	PENINSULA	SOUTHSIDE
1889	First trolley car ran from Hampton to Old Point operated by the Hampton and Old Point Railway Company.	City Railway Company operated the first streetcars in the City of Norfolk who became one of the first cities to use the overhead street electric railway system, preceded by Richmond in 1887.
1896	Three separate companies joined and became the Newport News and Old Point Railway and Electric Company.	
1898-1900	A rival company, the Peninsula Railway Company formed and became Citizen's Railway Light and Power Company.	
1906		The Norfolk-Portsmouth Traction Company was formed and assumed operating control over the Norfolk and Portsmouth rail system.
1911		Virginia Railway and Power Company extended its operations from Richmond and took over the systems of the two cities.
1914	Newport News and Hampton Railway Gas & Electric Company formed, merging all earlier public transportation companies on the Lower Peninsula.	
1923	First buses arrived operated by the Citizen's Rapid Transit Corporation (CRTC) of Newport News.	
1924	Virginia Public Service Company purchased CRTC.	
1925		Virginia Electric and Power Company purchased 36 buses for its Norfolk operation.
1926	Buses and trolleys came together when the Virginia Public Service Corporation merged with the Newport News and Hampton Railway Gas & Electric Company, retaining the name Virginia Public Service Company.	
1944	Virginia Public Service Company merged with Virginia Electric & Power Company (VEPCO).	Virginia Transit Company (VTC) took over transit operations in Norfolk.

HISTORY OF HAMPTON ROADS TRANSIT

YEAR	PENINSULA	SOUTHSIDE
1945	Citizen's Rapid Transit Company acquired VEPCO's transportation facilities.	
1946	Streetcar operations were discontinued and buses were substituted throughout Hampton and Newport News.	
1947- 1948	The VTC inaugurated the modernization program by converting the Naval Base streetcar line to buses and the program was completed with the Ocean View Main Line being the last streetcar to operate in Norfolk.	
1973	On March 9 th , Norfolk purchased the transit operations of the Norfolk Division of the Virginia Transit Company for \$2.3 million. The United States Department of Transportation (USDOT) provided two-thirds of the funds needed for the purchase. It was renamed Tidewater Metro Transit (TMT). In May, the Tidewater Transportation District Commission (TTDC) formed and began the process of acquiring the privately held transit companies on the Southside. The TTDC, operated under the trade name Tidewater Regional Transit (TRT).	
1974	Peninsula Transportation District Commission (PTDC) was created by agreement between the cities of Hampton and Newport News under the Transportation District Act of the Code of Virginia.	
1975	PTDC acquired the operating assets of the Citizen's Rapid Transit Company for \$1.8 million with the assistance of a USDOT grant which allowed for up to 2/3 of the funds needed to purchase failing private companies in order to retain mass transit services in the localities. The PTDC operated under the trade name Pentran. New buses were purchased, and a new route structure developed one year after Pentran was created.	TRT began offering public transportation services in Portsmouth, Chesapeake and Suffolk.
1977	April 1 st marked the consolidation of Tidewater Regional Transit and Norfolk's Tidewater Metro Transit operation.	

HISTORY OF HAMPTON ROADS TRANSIT

YEAR	PENINSULA	SOUTHSIDE
1979		TRT began operating Handi-Ride (now known as Paratransit) service for person with disabilities.
1980	Paratransit service, formerly known as Handi-Ride, began serving persons with disabilities.	
1983		Ferry service between Norfolk and Portsmouth was restored with a 50-passenger diesel powered launch.
1985	The “Adopt-A-Bus” advertising sales program began and Peninsula Transit (Pentran) was the first transit system in the country to offer a whole bus to be painted over with advertising.	<p>A 150-passenger steel hulled, diesel-powered paddlewheel ferryboat replaced the launch.</p> <p>The Virginia Beach Transit Company was consolidated with TRT and for the first time five cities were being served by TRT.</p>
1988	On Victoria Blvd. in Hampton a new Administration, Operations and Maintenance facility was opened on the original site of the streetcar operations.	
1989	Pentran implemented a new route structure and marketing program called, “The New Pentran” with new, color-coded routes that provided extended services to new areas.	TRT implemented a new comprehensive route structure.
1991	Pentran began late evening service, operating until 12:00 midnight on most routes.	
1992		High Occupancy Vehicle (HOV)-2 lanes opened and express bus service to downtown Norfolk and the Norfolk Naval Base began.
1993		TRT converted a trolley from gas power to compressed natural gas.
1993-1998		TRT conducted a Major Investment Study for the Norfolk-Virginia Beach Corridor to determine the most appropriate transportation solutions for the congestion in the Route 44/I-264 area.
1994	Transportation Center in Downtown Hampton opened.	

HISTORY OF HAMPTON ROADS TRANSIT

YEAR	PENINSULA	SOUTHSIDE
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1995 Transportation Center in Newport News opened, and Sunday service was started on all routes.

1996 In coordination with the City of Newport News, Pentran conducted a Major Investment Study for the CSX Railway Corridor from James City County, through Newport News to Hampton and the final report in 1997 recommended that Pentran should initiate enhanced bus service first and look at rail transit later.

TRT converted one of its three ferries into natural gas power.

In May, the TTDC approved a resolution to focus study on an alternative combining Light Rail Transit (LRT), enhanced bus service and other transportation demand management activities.

1997 TRT began the Preliminary Engineering/Environmental Impact Statement (EIS) phase of the Light Rail Transit study.

MERGER AND CREATION OF HAMPTON ROADS TRANSIT

Talk of a merger between the two public transit systems in Hampton Roads began in 1994. After five years of discussion, study, negotiation, financial accounting, and other due diligence activities, Pentran and TRT voluntarily merged into one organization on October 1, 1999. The Transportation District Commission of Hampton Roads (TDCHR) was created with membership from seven cities: Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk and Virginia Beach. The TDCHR operates under the trade name Hampton Roads Transit (HRT). The City of Suffolk is no longer a part of the TDCHR (opted out in December 2011) but growth within the remaining six cities drives the agency forward at a steady pace as the benefits of public transportation are being realized by citizens residing within Hampton Roads.

YEAR	TRANSPORTATION DISTRICT COMMISSION OF HAMPTON ROADS
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1999 On October 1st, TRT merged with Pentran and formed Hampton Roads Transit, servicing the cities of Norfolk, Virginia Beach, Chesapeake, Portsmouth, Hampton, Newport News, and Suffolk.

2007 In October 2007, Full Funding Grant Agreement signed with Federal Transit Administration (FTA) to construct the Tide Light Rail project. In December, Groundbreaking for the Tide Light Rail.

2008 The MAX (Metro Area Express) began service with eight routes linking all six Hampton Roads cities.

2009 Phase 1 of the construction of the 18th Street Complex began in October.

2011 Ribbon cutting of the completed 18th Street Complex in June. Virginia's first light rail line, the Tide, opened to the public in August. More than 30,000 people rode the Tide on the first day.

2013 Entered into the first public/private partnership for funding bus service with Elizabeth River Crossing (ERC) in April.

2014 Kick off for Connect Hampton Roads® on June 26th. In October, implemented the first fare increase since the merger in 1999.

HISTORY OF HAMPTON ROADS TRANSIT

YEAR TRANSPORTATION DISTRICT COMMISSION OF HAMPTON ROADS

- 2016

January 17th: the Downtown Norfolk Transit Center opened;
 March: began work on Peninsula Corridor Study (18-month study) to look at high occupancy transit for Hampton and Newport News;
 August: introduced pilot program for the Student Freedom Pass for youth age 17 and younger. Also, the Try Transit Pass program was started to have fare media available to introduce public transit to non-riders and large employers who could use the GoPass 365 program for employees;
 October: major renovations began for the Hampton facility located at Victoria Boulevard;
 November 8th: a non-binding referendum was held for Virginia Beach residents to vote on extending The Tide to their city. After several years of study and the completion of the Draft Environmental Impact Statement (DEIS), the referendum failed;
 December 8th: TDCHR voted to make the Student Freedom Pass program permanent for youth age 17 and under.
- 2017

Celebrated the 15 Millionth Rider on the Elizabeth River Ferry (ERF), since service began in 1983, on January 11th.
 In March, began work on the 10-year Transit Development Plan (TDP) as required by the Virginia Department of Rail and Public Transportation (DRPT).
 Celebrated the 5th Anniversary of The Tide—"Five Years of Success" on August 19th.
- 2018

Planning & Development led efforts to complete the Peninsula Corridor Study in collaboration with local partners, concluding with city council resolutions in support of Bus Rapid Transit (BRT) on two potential alignments (an alternative on Jefferson Avenue and an alternative on Mercury Boulevard) which may be advanced in the future. The environmental review phase will commence in September.
 Began phase 1 of mobile ticketing pilot program on the trolleys at the Virginia Beach (VB) Oceanfront.
- 2019

\$3.9 million dollars awarded to HRT to purchase six electric buses in an effort to address the climate crisis, reduce air pollution, and drive innovation across Virginia.
 Hampton Roads Transit and the Virginia Department of Rail and Public Transportation joined a national consortium of transit agencies to explore whether autonomous buses can be deployed in select areas of the country, including Hampton Roads.
- 2020

March 30th: Essential Service Plan went into effect to continue providing vital service during the initial onset of the Covid-19 pandemic.
 April 22nd: House and Senate voted on the Hampton Roads Regional Transit Program, awarding dedicated regional transit funding to Hampton Roads Transit.
 June: Ten-year Transit Strategic Plan adopted by Commission.
 November: First electric buses in Virginia begin use on HRT's busiest route.
- 2021

First expenditure of Hampton Roads Regional Transit Funds (HRRTF) to support MAX and PCS routes.
 May 9th: Service Reliability Plan introduced due to operator staff shortages.
 August 19th: The Tide celebrates its 10th anniversary of operations
- 2022

Implemented the first 15-minute high frequency service in October on the Route 112 along Jefferson Blvd.



SERVICE AREA

GEOGRAPHY

Virginia's Hampton Roads is a region rich in history, situated in the southeastern corner of Virginia, where the Atlantic Ocean meets the Chesapeake Bay. The region, comprised of 16 counties and cities, is enhanced by an extensive system of waterways. Because of the abundance of waterways, the transportation network is heavily dependent on bridges and tunnels. Though aging infrastructure and congestion around tunnels and bridges pose a threat for future economic development, the expansion of the Hampton Roads Bridge Tunnel aims to alleviate a portion of this congestion and is expected to be completed in 2025.

POPULATION

According to the Weldon Cooper Center for Public Service (WCCPS), Hampton Roads' 2022 population was 1,759,852 up 2,491 (0.1%) from 2020.¹ By the year 2045, the Hampton Roads Planning District Commission (HRPDC) estimates that the population will exceed 2.02 million.² Hampton Roads is currently the 37th largest metropolitan area in the country.³ The number of vehicles in Hampton Roads was just over 1.3 million in 2015. By 2045, that number is expected to reach approximately 1.5 million.²

EMPLOYMENT

Total nonfarm employment for the Virginia Beach Metropolitan Statistical Area (MSA) stood at 791,000 in June 2022, up 5.5 percent over the year.⁴ Virginia's employment in June 2022 was 4,053,900⁵, up 2.97% from June 2021 employment of 3,936,900.⁶ The unemployment rate has an inverse effect from employment. The unemployment rate in the Virginia Beach area decreased from 5.2% in June 2021 to 3.2% in June 2022.

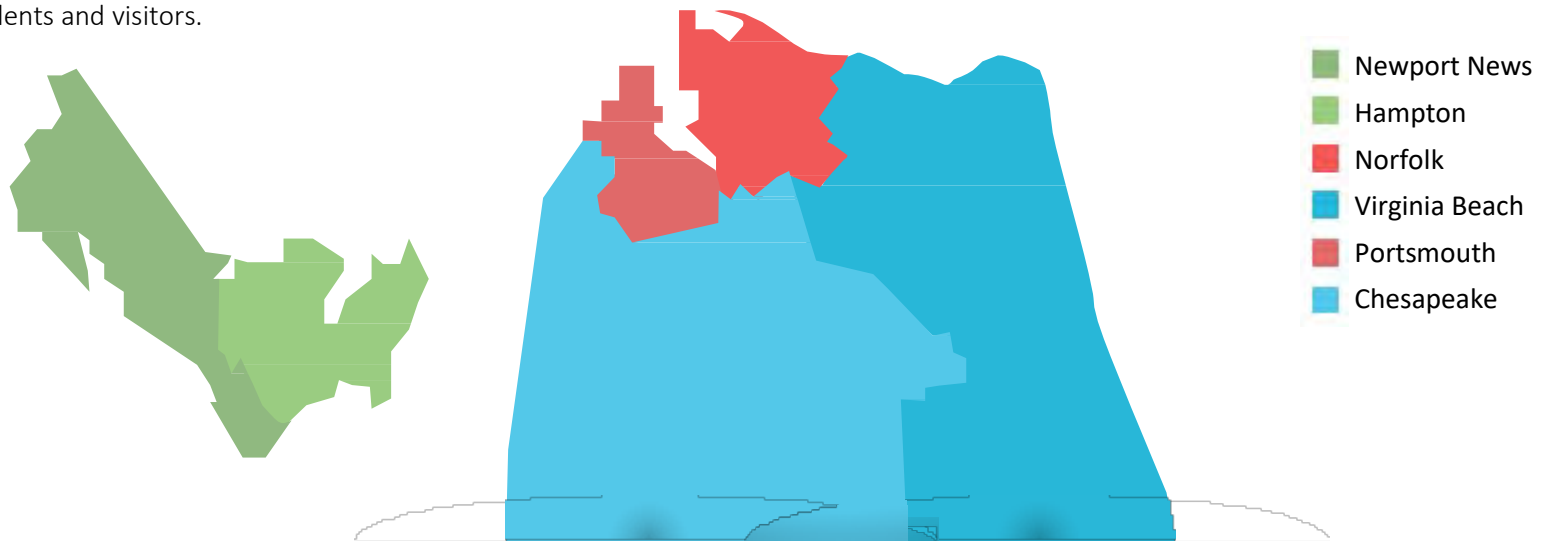
A strong military presence in the region helps stabilize unemployment rates. The U.S. military is a major employer in the Hampton Roads region, and so U.S. military spending is an important influence on the region's employment growth. Employment opportunities in Hampton Roads are predicted to grow with jobs in excess of 1.1 million by 2045.²

DEMOGRAPHICS

Compared to Virginia and the nation as a whole, the population of the Hampton Roads region tends to be younger and more diverse. The May 2022 Hampton Roads annual mean wage was \$56,420⁸, which continues to fall below the national of \$61,900.⁹ The region's relatively low wages can be attributed to such factors as the region's unique occupational and industrial mix. One characteristic that distinguishes Hampton Roads from other areas include a large military presence in the region, with approximately 20 military facilities in the area.¹⁰ There is also a large presence of military veterans in the civilian workforce.

SERVICE AREA

With growth in the number of residents and visitors that are part of our region’s promising future, we also have real challenges connecting the people and places of Hampton Roads. As the region grows, our ability to move around with ease will be more and more challenging. A lack of mobility choices can limit access to jobs, educational, retail and recreational opportunities, keep Hampton Roads from effectively supporting our existing businesses and military communities, and attracting new businesses to grow the regional economy. Now more than ever, we need to plan for a strong, multifaceted transportation network to meet the growing needs of businesses, residents and visitors.



SOURCES:

1. Weldon Cooper Center for Public Service,—Population Estimates for Virginia, Counties, and Cities
2. Hampton Roads Planning District Commission—2045 Socioeconomic Forecast – June 2017
3. Hampton Roads Planning District Commission—Hampton Roads Regional Benchmarking Study 13th edition
4. U.S. Bureau of Labor Statistics—Virginia Beach Area Employment
5. U.S. Bureau of Labor Statistics—June 2022 State Occupational Employment and Wage Estimates Virginia
6. U.S. Bureau of Labor Statistics—June 2021 State Occupational Employment and Wage Estimates Virginia
7. U.S. Bureau of Labor Statistics—2022 Virginia Beach Area Economic Summary
8. U.S. Bureau of Labor Statistics—May 2022 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates
9. U.S. Bureau of Labor Statistics—June 2022 National Occupational Employment and Wage Estimates
10. Wikipedia—Hampton Roads

SERVICES PROVIDED

FAST FACTS

- ⇒ Despite the necessary reduction in service and reduced demand due to the ongoing COVID-19 pandemic, HRT still provided more than 6.5 million trips last fiscal year. This equates to nearly 18,000 passenger trips per day across six of Virginia's ten largest Cities.
- ⇒ HRT operates a comprehensive transit system, offering local, express, and shuttle routes, providing connections throughout the Hampton Roads region.
- ⇒ The Agency provides local service 21 hours a day, seven days a week. Our transportation fleet is comprised of Transit Buses, Light Rail, Passenger Ferry and Paratransit vans.

BUS

- + 265 diesel buses service all six TDCHR cities
- + Six diesel-electric hybrid buses
- + Six battery electric, zero emission buses
- + All buses are equipped with bicycle racks, ramps, or wheelchair lifts to assist the elderly and those passengers with disabilities to board with ease
- + 70 routes
- + *Virginia Beach (VB) Wave*
 - 14 trolley style diesel buses
 - Four 29 ft. diesel buses
 - An easy way to get around the Virginia Beach Oceanfront
 - Operates daily Mid May – September
- + *Metro Area Express (MAX)*
 - Ten routes that provide express service within our service area
 - Ideal for commuters who want to avoid bus transfers
 - Two designated routes traveling to/from Naval Station Norfolk
 - Five Peninsula Commuter Routes serving the Newport News Shipyard
 - Free Wireless Fidelity (Wi-Fi)



SERVICES PROVIDED

LIGHT RAIL

- + 7.4 miles of track in the City of Norfolk
- + Nine light rail vehicles (LRV) powered by an overhead electrical system and driven by an on-board operator
- + Capacity of up to 160-180 passengers per vehicle
- + 18 bus routes that offer direct connections to six of the 11 Tide stations
- + Four Park-and-Ride locations with almost 800 free parking spaces to facilitate commuters' ease of access to The Tide and feeder bus lot locations
- + HRT's newest addition began revenue service 8/29/2011



PASSENGER FERRY

- + Three 150-passenger ferries on the Elizabeth River operating between downtown Norfolk and downtown Portsmouth
- + Service to Harbor Park Baseball stadium during home Tides Games
- + Ferries run every 30 minutes, with 15-minute service during the weekends in the peak summer months and during special events
- + Two docks located in Portsmouth at High Street and North Landing; two docks located in Norfolk at the Waterside District and Harbor Park



PARATRANSIT

- + All HRT fixed route services are wheelchair accessible, however for eligible customers who cannot ride or access our fixed route bus services due to a disability, HRT provides origin-destination (OD) shared ride Paratransit services by appointment
- + This service operates in parallel with HRT fixed route services for passengers within ¼ of a mile of a fixed route line
- + These services are federally mandated by the Americans with Disabilities Act (ADA) of 1990
- + All persons with disabilities are entitled to the same public transportation opportunities that everyone else uses and enjoys
- + Beginning October 2016, all Paratransit eligible riders may now use HRT's fixed route services free of charge



FARE STRUCTURE

FARE STRUCTURE JULY 1, 2022 - JUNE 30, 2023

Fares effective as of July 1, 2022	Bus, Ferry, Light Rail	757 Express	VB Wave
Adult Single-Trip	\$2.00	\$4.00	\$2.00
Discounted Fare (DF)* Single-Trip	\$1.00	\$2.00	\$1.00
Children*	FREE	FREE	FREE
Certified Paratransit Users*	FREE	FREE	FREE
GoPass 1 Day	\$4.50	\$7.50	\$4.50
GoPass 1 Day (DF)	\$2.25	N/A	\$2.25
GoPass 1 Day Five Bundle	\$21.00	\$35.00	N/A
GoPass 1 Day Five Bundle (DF)	\$10.50	N/A	N/A
GoPass 3 Day VB Wave	N/A	N/A	\$8.00
GoPass 3 Day VB Wave (DF)	N/A	N/A	\$4.00
GoPass 7 Day	\$22.00	N/A	N/A
GoPass 30 Day	\$70.00	\$125.00	N/A
GoPass 30 Day (DF)	\$40.00	N/A	N/A

*Visit gohrt.com/fares to learn more about eligibility for fare discounts



FINANCIAL SUMMARY

OBJECTIVE

The purpose of the Financial Summary is to:

- + Provide the public and external stakeholders a financial summary of how HRT utilizes public funds.
- + Present a detailed view into the delivery of multiple modes of transit services.
- + Provide a historical record of operating financial activity.

FINANCIAL POLICIES

The Commission's consolidated basic financial statements are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Commission is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets exclusive of land are capitalized and depreciated over their useful lives. Certain amounts are restricted for debt service and, where applicable, for construction activities.

REVENUE

Revenue is recognized when services are provided. Operating grant subsidies and expense reimbursements are recognized in accordance with the grant document or reimbursement agreement. Generally, these agreements provide for reimbursement to the Commission for operating expenses incurred. Operating subsidies from the municipalities provide for reimbursement to the Commission based on services provided within the various jurisdictions.

EXPENSES

The Commission plans expenses to best support effective transportation by identifying priority services, establishing services levels, delivering efficient services, and ensuring fiscal stability producing long-term effectiveness.

- + All invoices are reviewed on multiple levels. Monthly variance reports which provide operational accountability are provided to department directors and the Senior Executive Team.



FINANCIAL SUMMARY

PROCUREMENT

It is the policy of the Commission that all procurement transactions be conducted in a manner intended to maximize full and open competition. The Commission will only make awards to responsive offers from responsible offerors. A responsive offer is one that complies with all material requirements of the solicitation. A responsible offeror is one possessing the technical, physical, financial and ethical capacity to successfully perform a specific contract.

- + Micro-purchases are those purchases not exceeding \$3,000. Purchases below that threshold may be made without obtaining competitive quotations, but shall provide for competition whenever practicable. Award may be made if it is determined that the price is fair and reasonable, and that there are no significant differences in quality or price among available vendors. Typically this would involve items sold “off-the-shelf” to the general public or a specific market.
- + All procurement transactions totaling \$3,000 or higher will be conducted, to the greatest extent practicable, in a manner providing full and open competition, without providing an unfair competitive advantage to any potential vendor.
- + Public notice of solicitations for small purchases expected to exceed \$25,000 shall be posted on HRT’s website.
- + Procurements in excess of \$100,000 are publicly solicited through a formal solicitation process [Invitation for Bids (IFB), Request for Proposals (RFP), etc.]

No contract for goods and/or general services may be awarded without the advance written approval of the HRT Board of Commissioners if the aggregate or the sum of all phases is expected to exceed \$100,000; or, \$30,000 for professional services.

It is the policy of HRT that disadvantaged business enterprises (DBEs), as defined in 49 C.F.R. Part 26, shall have an opportunity to participate in awards of its contracts and subcontracts. HRT shall take positive actions to ensure utilization of DBEs through its DBE Program.

DEBT

The primary goal of the Commission is to minimize the use of debt and to use debt financing prudently when it is utilized. The Commission may use both short and long-term debt for valid business reasons, including maintaining a temporary cash flow and covering emergency shortfalls and urgent unfunded capital improvements, provided the Board adopts the debt by resolution and conducts an analysis on the fiscal effect on the Agency’s operations. The Commission will keep outstanding debt within the limits prescribed by state law and at levels consistent with its creditworthiness objectives and will maintain debt service coverage ratios consistent with best practices for local government debt issuance.

INVENTORIES

Parts inventories are stated at the lower of cost or market using the average cost method. The cost of fuel and oil inventories is determined using the first-in, first-out (FIFO) method. Inventories are used for operations and are not for resale.



FINANCIAL SUMMARY

CAPITAL ASSETS

Capital assets consist of property and equipment stated at cost and are depreciated using the straight-line method based on estimated useful lives of 3 to 40 years. When assets are disposed, the related costs and accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is recognized currently. Substantially all property and equipment were acquired with grant proceeds. The method of, and use of proceeds from, disposition of property and equipment is restricted by the grant requirements.

ESTIMATES

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities for the reported period. Actual results could differ from those estimates and assumptions.

BUDGETS & BUDGETARY ACCOUNTING

The Commission's annual budget for transit activities is a management tool that assists users in analyzing financial activity for its July 1 - June 30 fiscal year. The Commission's primary funding sources are federal and state grants and local subsidies, which have periods that may or may not coincide with the Commission's fiscal year. These grants and subsidies are normally for a twelve-month period; however, they may be awarded for periods shorter or longer than twelve months.

Because of the Commission's dependency on federal, state and local budgetary decisions, revenue estimates are based on the best available information as to potential sources of funding. The Commission's annual budget differs from that of a local government due to the uncertain nature of grant awards from other entities.

The resultant annual budget is subject to constant change within the fiscal year due to:

- + Increases/decreases in actual grant awards from those estimated;
- + Unanticipated grant awards not included in the budget; and
- + Expected grant awards that fail to materialize.

The Commissioners formally approve the annual budget but greater emphasis is placed on complying with the grant budget, whose terms and conditions are on a grant-by-grant basis. These terms and conditions usually specify the period during which costs may be incurred and outline budget restrictions or allowances.



GRANT FUNDING

Approximately 41.1% of HRT's budgeted revenue comes from federal and state grant funding. HRT receives the following types of Federal funding: Formula (5307), State of Good Repair (SGR) (5337), Low or No Emission Vehicle Program (5339), Unified Planning Work Program (UPWP), Transportation Demand Management (TDM), Congestion Mitigation and Air Quality Improvement (CMAQ) Program, and Regional Surface Transportation Program (RSTP) funding.

Federal Formula funds are available to urbanized areas for transit capital and for transportation related planning. Eligible purposes include:

- + Planning, engineering design, and evaluation of transit projects and other technical transportation-related studies;
- + Capital investments in bus and bus-related activities such as replacement of buses, crime prevention and security equipment and construction of maintenance and passenger facilities;
- + Capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software.

All Preventative Maintenance (PM) and some Americans with Disabilities Act (ADA) complementary paratransit service costs are considered capital costs.

Transportation legislation provides flexible funding opportunities to state and local governments allowing them the option of using some Federal Highway Administration (FHWA) funds for transit projects and vice versa. These funds can be transferred to Sections 5307. HRT receives the following flexible funds transferred from FHWA:

RSTP – provides the greatest flexibility in the use of funds. These funds may be used (as capital funding) for public transportation capital improvements, car and vanpool projects, fringe and corridor parking facilities, bicycle and pedestrian facilities, and intercity or intracity bus terminals and bus facilities. As funding for planning, these funds can be used for Surface Transportation Program (STP) planning activities, wetland mitigation, transit research and development, and environmental analysis. Other eligible projects under STP include transit safety improvements and most transportation control measures.

CMAQ – has the objective of improving the Nation's air quality and managing traffic congestion. CMAQ projects and programs are often innovative solutions to common mobility problems and are driven by the Clean Air Act mandates to attain national ambient air quality standards. Eligible activities under CMAQ include transit system capital expansion and improvements that are projected to realize an increase in ridership; travel demand management strategies and shared ride services; pedestrian and bicycle facilities and promotional activities that encourage bicycle commuting.

It is through the use of flexible funds that the region is able to fund the TRAFFIX Transportation Demand Management program run by HRT.

HRT also regularly applies for funding under discretionary grant programs. The Agency has been awarded funding under discretionary grant programs such as the Passenger Ferry Grant and the Buses and Bus Facilities Infrastructure Investment Program. A discretionary grant program has established requirements and criteria specific to the program. Awards for a discretionary grant program are determined through a competitive process.

GRANT FUNDING TABLE

Public Funding for Operating Budget	FY2021 Budget	FY2022 Budget	FY2023 Budget
Federal Funding			
Federal Section 5307 - ADA	\$ 1,924,400	\$ 1,924,000	\$ 1,865,100
Federal Section 5307 - Preventative Maintenance (PM)	\$ 13,629,600	\$ 17,192,700	\$ 21,901,900
Federal Section 5307 - Capital Cost of Contract (CCC)	\$ 1,251,600	\$ 1,600,000	\$ 1,600,000
Federal Section 5337 - Fixed Guideway (FG)	\$ 1,414,800	\$ 1,337,000	\$ 1,327,000
Transportation Demand Management (TDM)	\$ 574,200	\$ -	\$ -
Unified Planning Work Program (UPWP)	\$ 225,000	\$ -	\$ -
Grant Reimbursement	\$ 706,200	\$ -	\$ -
Total Federal Funding	\$ 19,725,800	\$ 22,053,700	\$ 26,694,000
State & Local Funding			
State Funding	\$ 19,969,800	\$ 21,438,300	\$ 31,464,900
Local Funding	\$ 44,696,100	\$ 44,696,100	\$ 45,396,500
Total State & Local Funding	\$ 64,665,900	\$ 66,134,400	\$ 76,861,400
Total Public Funding - Operating	\$ 84,391,700	\$ 88,188,100	\$ 103,555,400



DEBT OVERVIEW

NOTES PAYABLE

At June 30, 2020, the Commission owed \$6,255,000 against its \$17,000,000 revolving line of credit; the credit line is necessary due to the timing of government receivables.

LONG-TERM DEBT

On June 1, 2006, the Commission entered into a financing arrangement with the Virginia Resources Authority (VRA), whereby VRA provided \$12,770,000 of proceeds from the VRA's issuance of Infrastructure Revenue Bonds, Series 2006A. The debt requires the Commission to pay interest at variable rates ranging from 3.5838% to 4.2416%. Interest was payable semi-annually each April 1st and October 1st. Annual principal payments of varying amounts began October 1, 2007, through the termination date of October 1, 2017, at which time it was paid off. Proceeds from the debt were used to establish a fund for the acquisition of buses and related equipment during fiscal year 2007.

On June 1, 2007, the Commission entered into a second financing arrangement with the VRA providing \$4,975,000 of proceeds from the VRA's issuance of Infrastructure Revenue Bonds, Series 2007A. The debt requires the Commission to pay interest at variable rates ranging from 4.10% to 4.595%. Interest was payable semi-annually each April 1st and October 1st. Annual principal payments of varying amounts began October 1, 2008, through the termination date of October 1, 2017. Proceeds from the debt were used to establish a fund for the acquisition of buses and related equipment during fiscal year 2008.

During the term of financing, title to the buses will remain with the Commission. To secure its obligations, VRA created a security interest in all property and equipment purchased with the proceeds. The Commission also agreed to maintain the equipment free of any liens, pledges and/or encumbrances of any kind.



BUDGET DEVELOPMENT & ADOPTION PROCESS

BUDGET PHILOSOPHY

The budget is designed to:

- + Follow an integrated approach of planning, programming, budgeting and accounting.
- + Focus on the direct relationship between Hampton Roads Transit's (HRT) vision statement, mission statement and core values and develop a budget incorporating those values.
- + Encourage the making and coordination of short-range plans; and serve as a quantitative means of motivation to achieve plans within established budget targets.

FISCAL YEAR

Hampton Roads Transit's budget is prepared on a fiscal year basis rather than on a calendar year basis. The Fiscal year begins July 1st and ends June 30th to synchronize our reporting period with our municipal partners and to make our budget process integrated and more harmonized with municipal budget cycles.

BASIS OF BUDGETING

Since HRT operates as an enterprise fund, the budget is prepared as a flexible budget and serves as an approved plan to facilitate budgetary control and operational evaluations. As an enterprise fund, HRT adopts a budget on an accrual basis – the same basis used to record actual results. Revenues are recognized when earned and expenses are recognized when incurred. Depreciation expense is not budgeted in the operating budget. Capital improvement outlays are budgeted separately from Operating in a Capital Improvement Plan (CIP) budget. All departments and operations over which HRT exercises responsibility are included in the budget process. HRT's annual budget is a balanced budget, whereby, total estimated revenues always equal projected expenses. Costs and revenues are projected and allocated in accordance with the Cost Allocation Agreement, to which each of HRT's member cities is a party.

BUDGET DEVELOPMENT

The most crucial budgeting element is accomplished through the involvement of all departments in establishing objectives and determining the financial resources needed to achieve those objectives.

Operating budget call packet:

A Call Packet is provided to all divisions at the onset of the budget development process. This packet presents in detail the overall budgetary process and procedures that make up the process. It establishes the specific framework for guiding divisions in preparing comprehensive and realistic budgets when evaluating and addressing financial needs within their organizational unit for the upcoming fiscal year. The primary elements of the packet manual are:

- + Definition of the budget process, including both capital and operational planning.



BUDGET DEVELOPMENT & ADOPTION PROCESS

- + Identification of information to be used when developing expense projections.
- + Instructions, forms, and data used in the budget development process.
- + A budget calendar providing the dates that deliverables must be submitted for review.
- + Administrative details as to how the budget is to be prepared and submitted.

Each division submits a budget with supporting detail to the Office of Budget & Financial Analysis (OBFA). Such supporting detail will include:

- + Confirmation of personnel data to include employee position title, number, account coding string, annual salary and the percent of time each position is allocated to operating and/or capital projects.
- + Operating and Maintenance department expenses submitted by mode in order to facilitate the cost allocation and development of detailed budgets for each local funding partner.
- + A detailed justification for all expense requests. The detailed justifications should include an individual listing of all goods and services, excluding consumable office supplies. Office supplies may be grouped under a single justification for the fiscal year. Any requests associated with an existing contract and/or vendor must be identified as such in the justification.
- + Budgets are to be developed by each division using relevant historical data, current year-to-date data, year-end projections, and other economic and inflationary data.

Throughout the budget development process, divisions meet with the Budget team regularly to answer questions and facilitate the development and delivery of a clear and concise budget response.

The Budget Director and Chief Financial Officer (CFO) direct changes to the Senior Executive Team (SET), as necessary, to align their divisional budget(s) with HRT's anticipated resources.

BUDGET ADOPTION TIMELINE

August:

- + OBFA prepares preliminary revenue and expense projections and meets with the CFO & CEO to determine budget direction and areas of emphasis.

September:

- + OBFA disseminates Budget Call Packets to SET for the upcoming budget year with a return deadline of October 1st.



BUDGET DEVELOPMENT & ADOPTION PROCESS

October:

- + OBFA receives call packet responses from SET and compiles for review.
- + OBFA presents compiled budget to SET for discussion.
- + OBFA meets with Divisions to review call packet responses.
- + Service Planning (SP) submits proposed annual Transportation Service Plans (TSP) to Local Funding Partners and OBFA the first week in October.

November:

- + OBFA meets with Divisions/SET to refine budget.
- + OBFA receives route changes & ridership estimates from SP.
- + OBFA develops draft budget, performs Cost Allocation & prepares draft TSPs by Nov. 19th.

December:

- + OBFA distributes draft budget & TSPs to Localities.
- + Budget Director discusses draft budget & TSPs at the December MFAC meeting.

January:

- + OBFA/CFO/SP meets with Localities to discuss draft TSPs the first week of January.

February:

- + Localities deliver final route decisions to SP by Feb. 14th.
- + OBFA incorporates route changes and develops preliminary TSPs.
- + Budget Director presents preliminary budget and TSPs to MFAC/Audit & Budget Committee/Commission.

March - April:

- + OBFA finalizes budget based on revised Federal and State funding projections & refined agency priorities.

May:

- + Budget Director presents the final budget to MFAC/Audit & Budget Committee/Commission for review and adoption.

June:

- + OBFA develops implementation plan for the adopted budget and initiates the budget prior to the commencement of the next fiscal year.



BUDGET DEVELOPMENT & ADOPTION PROCESS

BUDGET ADMINISTRATION PROCESS

Upon final adoption of the budget by the Commission, the budget becomes the financial plan for the ensuing fiscal year and serves as the legal document that regulates both the expenses and obligation of funds by HRT.

Budget revisions:

- + A budget revision is a transfer of funds between or among line items that does not increase or decrease the total budget amount originally budgeted and adopted by the Commission.
- + Departmental budgets may be revised by formal transfer action.
- + Intradepartmental budget revisions between major categories e.g. personnel services, services, material and supplies, etc. may be revised with the approval of the CFO.
- + Departmental budgets will not be revised to accommodate budget line item variances unless it is determined there has been a material program change that requires the reallocation of resources to fund the change.

Budget amendments:

- + Budget amendments are increases or decreases to the total budget dollar amount originally adopted by the Commission. Budget amendments require Commission adoption and approval.
- + The purpose of an amendment process is to reflect the level of revenues reasonably anticipated and to balance expenses to those anticipated revenues.
- + Budget amendments resulting from unanticipated revenues, e.g., grants and contracts not originally budgeted during the regular budgeting process may be budgeted and used for the purpose intended upon approval by the Commission.

Revisions to personnel levels:

- + Additions to the authorized personnel position level originally included within the adopted budget must be formally approved by the CEO.

FY2023 OPERATING BUDGET SUMMARY

FY2023 BUDGET DEVELOPMENT HIGHLIGHTS

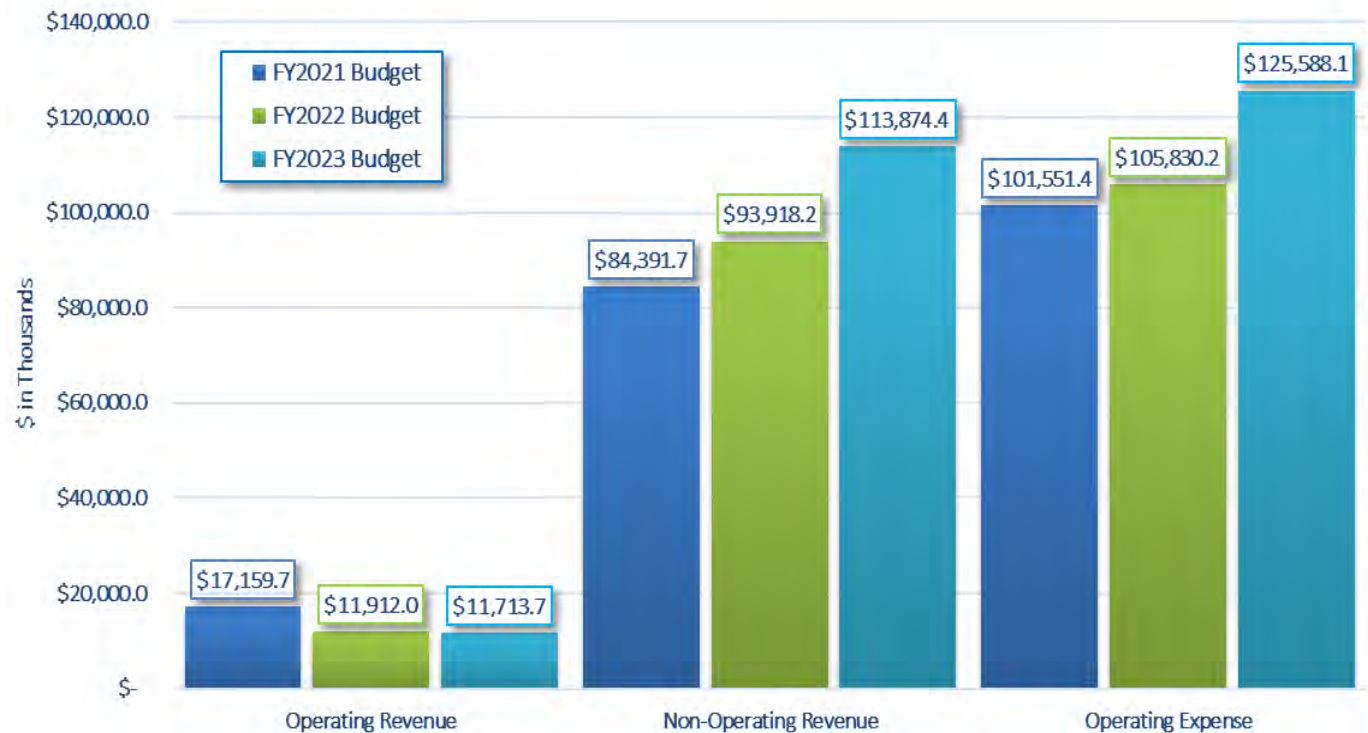
The FY2023 budget adopted by Commission on May 26, 2022 increased 18.7% compared to prior year.

Operating revenue decreased 1.7% primarily due to an accounting change in how advertising production reimbursements are booked. Non-operating revenue increased 21.2% primarily due to an increase in State Aid of \$10M and Federal Aid of \$4.6M.

The following expenses were prioritized in the budget:

- + Collective Bargaining Unit contracted wage adjustment.
- + Fuel rate increase of an estimated 300%.
- + Casualties & liabilities insurance premium escalation.
- + Purchased transportation cost increase of 53.8% driven by an inflationary rate increase.

	FY2021 Budget	FY2022 Budget	FY2023 Budget	\$ +/-) Prior Year	% +/-) Prior Year
Operating Revenue	\$ 17,159.7	\$ 11,912.0	\$ 11,713.7	\$ (198.3)	(1.7%)
Non-Operating Revenue	\$ 84,391.7	\$ 93,918.2	\$113,874.4	\$ 19,956.2	21.2%
Total Revenue	\$101,551.4	\$105,830.2	\$125,588.1	\$19,757.9	18.7%
Operating Expense	\$101,551.4	\$105,830.2	\$125,588.1	\$19,757.9	18.7%



REVENUE CATEGORIES

FEDERAL FUNDING

Federal funding includes Preventative Maintenance (PM), ADA subsidies, TDM, UPWP and other grant monies.

STATE FUNDING

Funding from state sources partially offsets the cost of providing public transportation.

LOCAL FUNDING

This is the residual cost of operation after application of all farebox revenues, state and federal assistance. Local funding is principally allocated on the basis of service levels provided to municipal partners.

OPERATING REVENUE

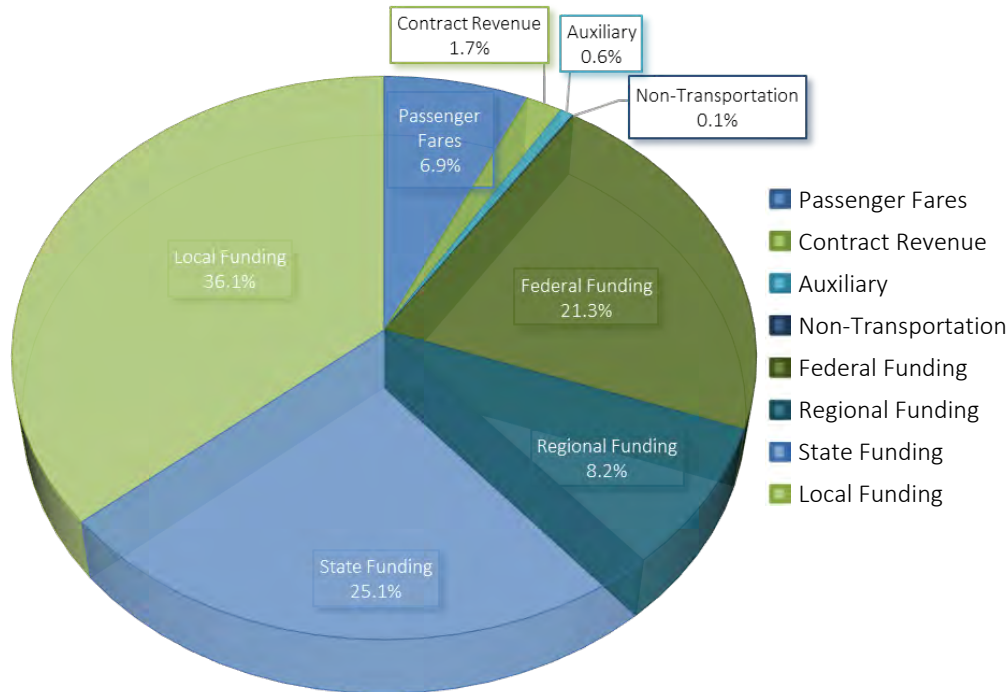
- + Passenger Fares: revenues collected through the operation of Fixed Route and Demand Response Services. This revenue is allocated to the city in which the fare is received.
- + Charters & Contracts: Elizabeth River Crossing (ERC) contributes contract revenues to support additional ferry and bus services.
- + Auxiliary: revenues collected for advertising on transit vehicles.
- + Other Non-Transportation: income earned through interest and the sale of assets.

REVENUE FUNDING SOURCES

FY2023 REVENUE SOURCES

Compared to Fiscal Year 2022:

- + Passenger fare estimate of \$8.7M, an increase of \$252,800 or 3.0%, is driven by ridership projections for the coming year.
- + Elizabeth River Crossings (ERC) contract revenue decrease of \$176,000 reflects the estimated funding needed to cover ERC related operating expenses.
- + Auxiliary (advertising) revenue decrease of \$275,000 is related to an accounting change in how advertising production reimbursements are booked. Future auxiliary revenue will reflect net advertising revenue, not gross.
- + Federal Aid (section 5307 & 5337) increased \$4.6M to cover net eligible operating expenses.
- + Hampton Roads Regional Transit Funding (HRRTF) is a source of dedicated funding earmarked to support the expansion of regional (backbone) routes throughout the Hampton Roads region. In FY2023, \$10.3M in regional funding will be used to cover service expense.
- + State Operating assistance will increase 46.8% due to additional monies available in the FY2023 State Merit program.
- + Local Funding assistance increased 1.6%.



	FY2021 Budget	FY2022 Budget	FY2023 Budget	\$ +/-) Prior Year	% +/-) Prior Year	% of Total
Passenger Fares	\$ 13,693,700	\$ 8,442,000	\$ 8,694,800	\$ 252,800	3.0%	6.9%
Contract Revenue	\$ 2,331,000	\$ 2,335,000	\$ 2,158,900	\$ (176,100)	(7.5%)	1.7%
Auxiliary	\$ 1,075,000	\$ 1,075,000	\$ 800,000	\$ (275,000)	(25.6%)	0.6%
Non-Transportation	\$ 60,000	\$ 60,000	\$ 60,000	\$ -	0.0%	0.1%
Federal Funding	\$ 19,725,800	\$ 22,053,700	\$ 26,694,000	\$ 4,640,300	21.0%	21.3%
Regional Funding	\$ -	\$ 5,730,100	\$ 10,319,000	\$ 4,588,900	N/A	8.2%
State Funding	\$ 19,969,800	\$ 21,438,300	\$ 31,464,900	\$ 10,026,600	46.8%	25.1%
Local Funding	\$ 44,696,100	\$ 44,696,100	\$ 45,396,500	\$ 700,400	1.6%	36.1%
Total	\$ 101,551,400	\$ 105,830,200	\$ 125,588,100	\$ 19,757,900	18.7%	100.0%

EXPENSE CATEGORIES

SERVICES



- + **Professional fees:** legal, advertising, merchant, banking and training
- + **Contract maintenance:** technology maintenance plans, inspections and repair work
- + **Contract services:** security, custodial, currency collection and on-call engineering/facilities services



MATERIALS & SUPPLIES

- + Gasoline & diesel fuel and oil & lubricants
- + Tools
- + Office supplies
- + Materials & supplies for repair and servicing



UTILITIES

- + Electricity and natural gas
- + Propulsion power
- + Water and sewage
- + Telephone and cellular phone



PERSONNEL SERVICES

- + Salaries & wages
- + Fringe benefits

EXPENSE CATEGORIES



PURCHASED TRANSPORTATION

- + Navy Base Circulator contractor
- + Ferry boat contractor
- + Paratransit contractor



CASUALTIES & LIABILITIES

- + Physical damage recoveries
- + Liability insurance
- + Auto insurance
- + Workers compensation insurance



OTHER MISCELLANEOUS EXPENSES

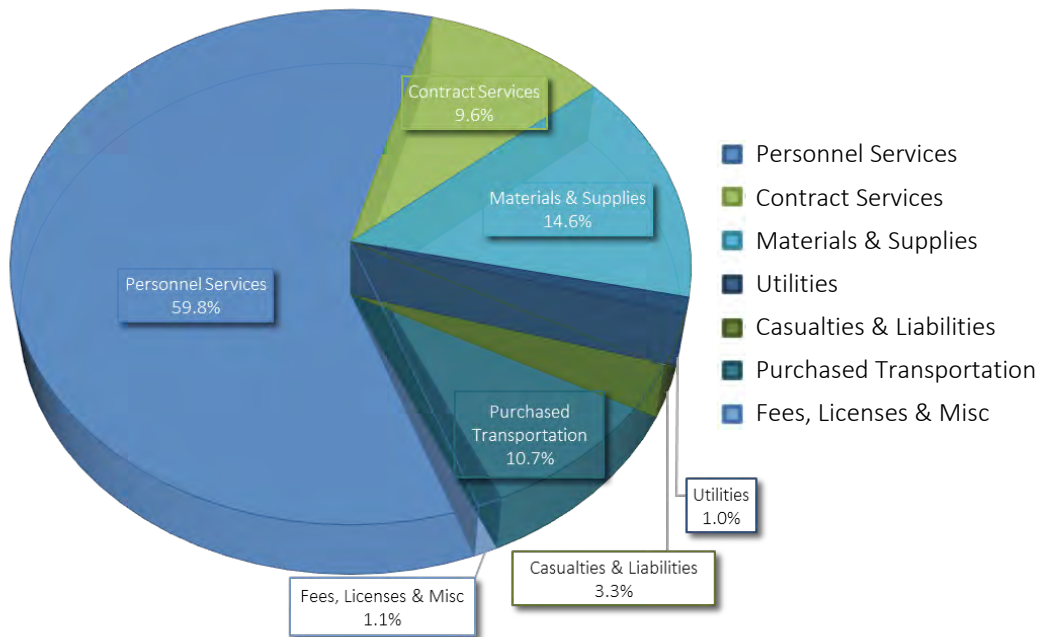
- + Travel: lodging, transportation expenses, per diem, and commissioners stipend
- + Advertising
- + Technology hardware & software
- + Education & training
- + Postage, freight and vehicle licensing & registration fees
- + Miscellaneous leases & rentals

OPERATING EXPENSE BY CATEGORY

FY2023 OPERATING EXPENSES

Compared to fiscal year 2022:

- + Personnel services net increase of 10.0% is based on a few key factors:
 - ⇒ Increase of \$3.7M for union personnel in accordance with the Collective Bargaining Unit (CBU) agreement.
 - ⇒ Merit of 3% for non-union staff.
 - ⇒ Health Insurance premium increase.
- + Contract services remains relatively stable with an increase of 0.4%.
- + Materials & supplies increased 80.2% primarily due to an estimated fuel rate increase of 300% over prior year.
- + Utilities remained stable with only a minor increase of 0.8%.
- + Casualties & liabilities increased 7.5% due to an escalation in insurance premiums.
- + Purchased Transportation is projected to increase 53.8% due to inflationary rate increases.
- + Miscellaneous expense decrease of 14.7% is attributed to the NOVA bus lease expiration in July 2022.



	FY2021 Budget	FY2022 Budget	FY2023 Budget	\$ +/- Prior Year	% +/- Prior Year	% of Total
Personnel Services	\$ 65,658,900	\$ 68,326,800	\$ 75,134,600	\$ 6,807,800	10.0%	59.8%
Contract Services	\$ 10,334,400	\$ 11,955,600	\$ 12,006,700	\$ 51,100	0.4%	9.6%
Materials & Supplies	\$ 10,189,000	\$ 10,161,000	\$ 18,313,100	\$ 8,152,100	80.2%	14.6%
Utilities	\$ 1,297,500	\$ 1,298,800	\$ 1,308,900	\$ 10,100	0.8%	1.0%
Casualties & Liabilities	\$ 3,661,900	\$ 3,798,500	\$ 4,085,100	\$ 286,600	7.5%	3.3%
Purchased Transportation	\$ 8,873,700	\$ 8,701,700	\$ 13,385,300	\$ 4,683,600	53.8%	10.7%
Fees, Licenses & Misc	\$ 1,536,000	\$ 1,587,800	\$ 1,354,400	\$ (233,400)	(14.7%)	1.1%
Total	\$ 101,551,400	\$ 105,830,200	\$ 125,588,100	\$ 19,757,900	18.7%	100.0%

LOCAL CONTRIBUTION

Hampton Roads Transit was created in 1999 through the merger agreement between Pentran and Tidewater Regional Transit (TRT). The Cost Allocation Agreement was adopted during the merger with the purpose of meeting the funding needs of the participating localities on an equitable basis within the limits of available resources. While the Cost Allocation Agreement succeeded in merging the assets of two transit systems servicing six cities, it has not been as successful in building a single regional transit network as seen in other metropolitan areas of similar size.

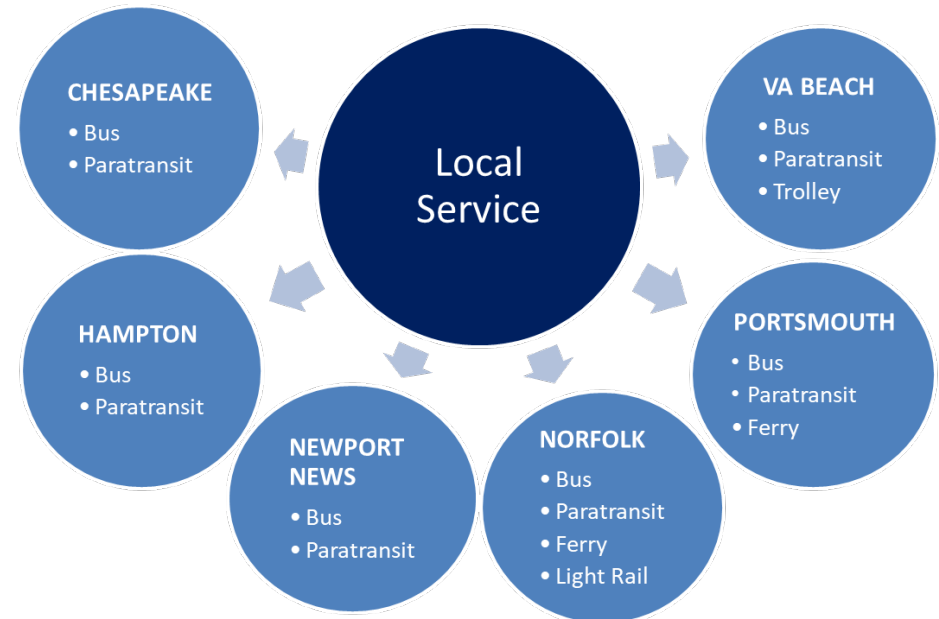
Funding for service is provided with federal, state, Hampton Roads Regional Transit Fund (HRRTF) and local subsidies provided by member jurisdictions, and operating revenues. Local funding is provided based on the Cost Allocation Agreement where each city establishes how much service will be provided within its borders based on how much it is willing to pay for those services after all federal, state, and farebox revenues are applied.

Each year, as part of the budgeting process, the Commission will propose a public Transportation Service Plan (TSP) for the region. The TSP will contain a description of the service such as route name, hours of service to be provided, estimated cost, estimated revenue and estimated local share of the cost of service.

Each participating city will have final determination on the type, amount and location of public transportation service provided within its borders. After each city has approved funding of its portion of the TSP, the Commission will approve and publish the TSP as the Transportation Service Plan of Hampton Roads.

Advanced capital contributions (ACC) from local governments are used as the local match for capital grants. The matching percentage of local funds utilized each year will vary based on the type and dollar amount of capital purchases programmed per annum. It is intended that local costs for capital expenses will be proportional, based on In Service Hours, for each Participating City (Article III, paragraph D).

At the urging of its municipal partners, HRT has minimized local share in every manner possible without compromising service to our customers.



TRANSPORTATION SERVICE PLAN

FY2023 TRANSPORTATION SERVICE PLAN—LOCAL SUMMARY

- + Locality TSP table dollars are shown in thousands.
- + The local contribution to the FY2023 operating budget equals \$47.9M, the local service expense plus Commission expense.
- + Advanced Capital Contribution (ACC) of \$2.0M is the local match for capital projects.
- + Local Contribution of \$47.4M is the amount billed to localities for FY2023.
- + Federal Aid - Strategic Allocation of \$2.5M is used to land the localities at a 1.5% increase over prior year.

Local Routes (Dollars in Thousands)	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus	672,494	\$ 72,204.1	\$ 5,547.8	7.7%	\$ 37,416.8	52%	\$ 29,239.5	40%
Trolley	26,485	\$ 2,843.6	\$ 194.8	6.9%	\$ 1,473.6	52%	\$ 1,175.2	41%
Special Service	1,785	\$ 191.6	\$ -	0.0%	\$ 99.3	52%	\$ 92.3	48%
Total Bus:	700,764	\$ 75,239.3	\$ 5,742.6	7.6%	\$ 38,989.7	52%	\$ 30,507.0	41%
Total Light Rail:	29,862	\$ 11,816.0	\$ 812.0	6.9%	\$ 5,102.6	43%	\$ 5,901.4	50%
Total Ferry:	6,593	\$ 1,636.4	\$ 258.4	15.8%	\$ 890.4	54%	\$ 487.6	30%
Total Paratransit:	252,175	\$ 21,219.2	\$ 834.8	3.9%	\$ 10,676.3	50%	\$ 9,708.1	46%
Local Modal Total:	989,394	\$109,910.9	\$7,647.8	7.0%	\$ 55,659.0	51%	\$ 46,604.1	42%
Commission Expense							\$ 1,292.4	
Advanced Capital Contribution							\$ 2,000.0	
Federal Aid-Strategic Allocation							\$ (2,500.0)	
Local Contribution:							\$ 47,396.5	

TRANSPORTATION SERVICE PLAN

FY2023 TRANSPORTATION SERVICE PLAN—CITY OF CHESAPEAKE

Chesapeake City Routes (Dollars in Thousands)	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
6 Chesapeake	5,999	\$ 644.1	\$ 66.5	10%	\$ 333.8	52%	\$ 243.8	38%
12 Chesapeake	2,028	\$ 217.7	\$ 15.3	7%	\$ 112.8	52%	\$ 89.6	41%
13 Chesapeake	6,754	\$ 725.2	\$ 98.5	14%	\$ 375.8	52%	\$ 250.9	35%
14 Chesapeake	8,654	\$ 929.1	\$ 53.7	6%	\$ 481.6	52%	\$ 393.8	42%
15 Chesapeake	5,162	\$ 554.3	\$ 62.3	11%	\$ 287.2	52%	\$ 204.8	37%
24 Chesapeake	5,020	\$ 539.0	\$ 14.4	3%	\$ 279.3	52%	\$ 245.3	46%
44 Chesapeake	1,382	\$ 148.4	\$ 7.6	5%	\$ 76.9	52%	\$ 63.9	43%
57 Chesapeake	4,741	\$ 509.0	\$ 39.4	8%	\$ 263.8	52%	\$ 205.8	40%
58 Chesapeake	8,381	\$ 899.9	\$ 26.1	3%	\$ 466.3	52%	\$ 407.5	45%
Bus Total:	48,121	\$ 5,166.7	\$ 383.8	7%	\$ 2,677.5	52%	\$ 2,105.4	41%
Paratransit:	21,368	\$ 1,798.0	\$ 71.2	4%	\$ 904.7	50%	\$ 822.1	46%
Chesapeake Modal Total:	69,489	\$ 6,964.7	\$ 455.0	7%	\$ 3,582.2	51%	\$ 2,927.5	42%
Commission Expense							\$ 215.4	
Advanced Capital Contribution							\$ 140.5	
Federal Aid-Strategic Allocation							\$ (419.2)	
Chesapeake Local Contribution:							\$ 2,864.2	

TRANSPORTATION SERVICE PLAN

FY2023 TRANSPORTATION SERVICE PLAN—CITY OF HAMPTON

Hampton City Routes (Dollars in Thousands)	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
101 Hampton	6,038	\$ 648.3	\$ 50.5	8%	\$ 335.9	52%	\$ 261.9	40%
102 Hampton	4,217	\$ 452.7	\$ 29.1	6%	\$ 234.6	52%	\$ 189.0	42%
103 Hampton	9,950	\$ 1,068.3	\$ 69.1	6%	\$ 553.6	52%	\$ 445.6	42%
105 Hampton	3,007	\$ 322.9	\$ 25.0	8%	\$ 167.3	52%	\$ 130.6	40%
109 Hampton	4,279	\$ 459.4	\$ 30.0	7%	\$ 238.1	52%	\$ 191.3	42%
110 Hampton	11,025	\$ 1,183.7	\$ 61.7	5%	\$ 613.4	52%	\$ 508.6	43%
111 Hampton	3,001	\$ 322.3	\$ 8.7	3%	\$ 167.0	52%	\$ 146.6	45%
114 Hampton	16,303	\$ 1,750.4	\$ 99.8	6%	\$ 907.1	52%	\$ 743.5	42%
115 Hampton	6,167	\$ 662.1	\$ 48.6	7%	\$ 343.1	52%	\$ 270.4	41%
117 Hampton	2,423	\$ 260.1	\$ 24.6	9%	\$ 134.8	52%	\$ 100.7	39%
118 Hampton	10,980	\$ 1,178.9	\$ 76.0	6%	\$ 610.9	52%	\$ 492.0	42%
120 Hampton	3,406	\$ 365.7	\$ 30.4	8%	\$ 189.5	52%	\$ 145.8	40%
Enhancements	692	\$ 74.3	\$ -	0%	\$ 38.5	52%	\$ 35.8	48%
Bus Total:	81,488	\$ 8,749.1	\$ 553.5	6%	\$ 4,533.8	52%	\$ 3,661.8	42%
Paratransit:	36,641	\$ 3,083.2	\$ 119.2	4%	\$ 1,551.3	50%	\$ 1,412.7	46%
Hampton Modal Total:	118,129	\$ 11,832.3	\$ 672.7	6%	\$ 6,085.1	51%	\$ 5,075	43%
Commission Expense							\$ 215.4	
Advanced Capital Contribution							\$ 238.7	
Federal Aid-Strategic Allocation							\$ (567.5)	
Hampton Local Contribution:							\$ 4,961.1	

TRANSPORTATION SERVICE PLAN

FY2023 TRANSPORTATION SERVICE PLAN—CITY OF NEWPORT NEWS

Newport News City Routes (Dollars in Thousands)	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
64 Newport News	1,554	\$ 166.9	\$ 19.4	12%	\$ 86.5	52%	\$ 61.0	37%
101 Newport News	5,325	\$ 571.7	\$ 44.5	8%	\$ 296.3	52%	\$ 230.9	40%
103 Newport News	7,149	\$ 767.6	\$ 49.6	6%	\$ 397.8	52%	\$ 320.2	42%
104 Newport News	14,630	\$ 1,570.7	\$ 80.5	5%	\$ 814.0	52%	\$ 676.2	43%
105 Newport News	9,017	\$ 968.1	\$ 74.9	8%	\$ 501.7	52%	\$ 391.5	40%
106 Newport News	17,958	\$ 1,928.1	\$ 149.7	8%	\$ 999.1	52%	\$ 779.3	40%
107 Newport News	15,476	\$ 1,661.6	\$ 130.0	8%	\$ 861.0	52%	\$ 670.6	40%
108 Newport News	12,302	\$ 1,320.9	\$ 96.0	7%	\$ 684.5	52%	\$ 540.4	41%
111 Newport News	13,154	\$ 1,412.3	\$ 38.0	3%	\$ 731.9	52%	\$ 642.4	45%
112 Newport News	37,501	\$ 4,026.4	\$ 261.3	6%	\$ 2,086.4	52%	\$ 1,678.7	42%
114 Newport News	3,399	\$ 365.0	\$ 20.8	6%	\$ 189.1	52%	\$ 155.1	42%
Enhancements	642	\$ 68.9	\$ -	0%	\$ 35.7	52%	\$ 33.2	48%
Bus Total:	138,107	\$ 14,828.2	\$ 964.7	7%	\$ 7,684.0	52%	\$ 6,179.5	42%
Paratransit:	45,338	\$ 3,815.0	\$ 147.0	4%	\$ 1,919.5	50%	\$ 1,748.5	46%
Newport News Modal Total:	183,445	\$ 18,643.2	\$ 1,111.7	6%	\$ 9,603.5	52%	\$ 7,928.0	43%
Commission Expense							\$ 215.4	
Advanced Capital Contribution							\$ 370.8	
Federal Aid-Strategic Allocation							\$ (650.6)	
Newport News Local Contribution:							\$ 7,863.6	

TRANSPORTATION SERVICE PLAN

FY2023 TRANSPORTATION SERVICE PLAN—CITY OF NORFOLK

Norfolk City Routes (Dollars in Thousands)	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
1 Norfolk	13,072	\$ 1,403.5	\$ 136.0	10%	\$ 727.3	52%	\$ 540.2	38%
1 Norfolk Redesign	18,855	\$ 2,024.4	\$ 196.2	10%	\$ 1,049.0	52%	\$ 779.2	38%
2 Norfolk	9,884	\$ 1,061.2	\$ 33.6	3%	\$ 549.9	52%	\$ 477.7	45%
2 Norfolk Redesign	28,702	\$ 3,081.8	\$ 97.5	3%	\$ 1,597.0	52%	\$ 1,387.3	45%
3 Norfolk	12,232	\$ 1,313.3	\$ 189.2	14%	\$ 680.6	52%	\$ 443.5	34%
3 Norfolk Redesign	5,724	\$ 614.5	\$ 88.5	14%	\$ 318.4	52%	\$ 207.6	34%
4 Norfolk	2,992	\$ 321.3	\$ 70.7	22%	\$ 166.5	52%	\$ 84.1	26%
5 Norfolk	1,846	\$ 198.2	\$ 42.3	21%	\$ 102.7	52%	\$ 53.2	27%
6 Norfolk	3,868	\$ 415.3	\$ 42.9	10%	\$ 215.2	52%	\$ 157.2	38%
7 Norfolk Redesign	13,278	\$ 1,425.6	\$ 92.7	7%	\$ 738.8	52%	\$ 594.1	42%
8 Norfolk	8,421	\$ 904.2	\$ 65.7	7%	\$ 468.5	52%	\$ 370.0	41%
8 Norfolk Redesign	18,188	\$ 1,952.8	\$ 141.9	7%	\$ 1,012.0	52%	\$ 798.9	41%
9 Norfolk	8,568	\$ 919.9	\$ 109.9	12%	\$ 476.7	52%	\$ 333.3	36%
11 Norfolk	2,174	\$ 233.4	\$ 21.3	9%	\$ 121.0	52%	\$ 91.1	39%
12 Norfolk	667	\$ 71.6	\$ 5.0	7%	\$ 37.1	52%	\$ 29.5	41%
13 Norfolk	3,232	\$ 347.0	\$ 47.1	14%	\$ 179.8	52%	\$ 120.1	35%
15 Norfolk	19,311	\$ 2,073.4	\$ 233.0	11%	\$ 1,074.4	52%	\$ 766.0	37%
18 Norfolk	2,665	\$ 286.1	\$ 6.9	2%	\$ 148.3	52%	\$ 130.9	46%
18 Norfolk Redesign	3,476	\$ 373.2	\$ 9.0	2%	\$ 193.4	52%	\$ 170.8	46%
20 Norfolk	24,500	\$ 2,630.6	\$ 325.8	12%	\$ 1,363.2	52%	\$ 941.6	36%

TRANSPORTATION SERVICE PLAN

FY2023 TRANSPORTATION SERVICE PLAN—CITY OF NORFOLK (cont.)

Norfolk City Routes (Dollars in Thousands)	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus (cont.)								
21 Norfolk	13,453	\$ 1,444.4	\$ 121.3	8%	\$ 748.5	52%	\$ 574.6	40%
21 Norfolk Redesign	12,408	\$ 1,332.2	\$ 111.9	8%	\$ 690.3	52%	\$ 530.0	40%
23 Norfolk	13,791	\$ 1,480.7	\$ 92.7	6%	\$ 767.3	52%	\$ 620.7	42%
25 Norfolk	3,246	\$ 348.6	\$ 15.0	4%	\$ 180.6	52%	\$ 153.0	44%
44 Norfolk	1,376	\$ 147.8	\$ 7.5	5%	\$ 76.6	52%	\$ 63.7	43%
45 Norfolk	7,485	\$ 803.6	\$ 70.8	9%	\$ 416.5	52%	\$ 316.3	39%
Enhancements	451	\$ 48.4	\$ -	0%	\$ 25.1	52%	\$ 23.3	48%
Bus Total:	253,865	\$ 27,257.0	\$ 2,374	9%	\$ 14,125	52%	\$ 10,757.9	39%
801 Light Rail	29,862	\$ 11,816.0	\$ 812.0	7%	\$ 5,102.6	43%	\$ 5,901.4	50%
Light Rail Total:	29,862	\$ 11,816.0	\$ 812.0	7%	\$ 5,102.6	43%	\$ 5,901.4	50%
Ferry:	3,361	\$ 834.1	\$ 131.6	16%	\$ 453.9	54%	\$ 248.6	30%
Paratransit:	72,193	\$ 6,074.6	\$ 242.9	4%	\$ 3,056.4	50%	\$ 2,775.3	46%
Norfolk Modal Total:	359,281	\$ 45,981.7	\$ 3,560.9	8%	\$ 22,737.6	49%	\$ 19,683.2	43%
Commission Expense							\$ 215.4	
Advanced Capital Contribution							\$ 726.3	
Federal Aid-Strategic Allocation							\$ (189.2)	
Norfolk Local Contribution Sub-total¹:							\$ 20,435.7	
Norfolk Network Redesign Resigning Expenses							\$ 318.0	
Norfolk Network Redesign Public Outreach Expenses							\$ 24.0	
Norfolk Contribution Total²:							\$ 20,777.7	

1. Norfolk Local Contribution sub-total of \$20.4M includes service expense, Commission expense & Advanced Capital Contribution

2. Network redesign expenses are direct charges related to the route redesign and reimbursable by the City of Norfolk

TRANSPORTATION SERVICE PLAN

FY2023 TRANSPORTATION SERVICE PLAN—CITY OF PORTSMOUTH

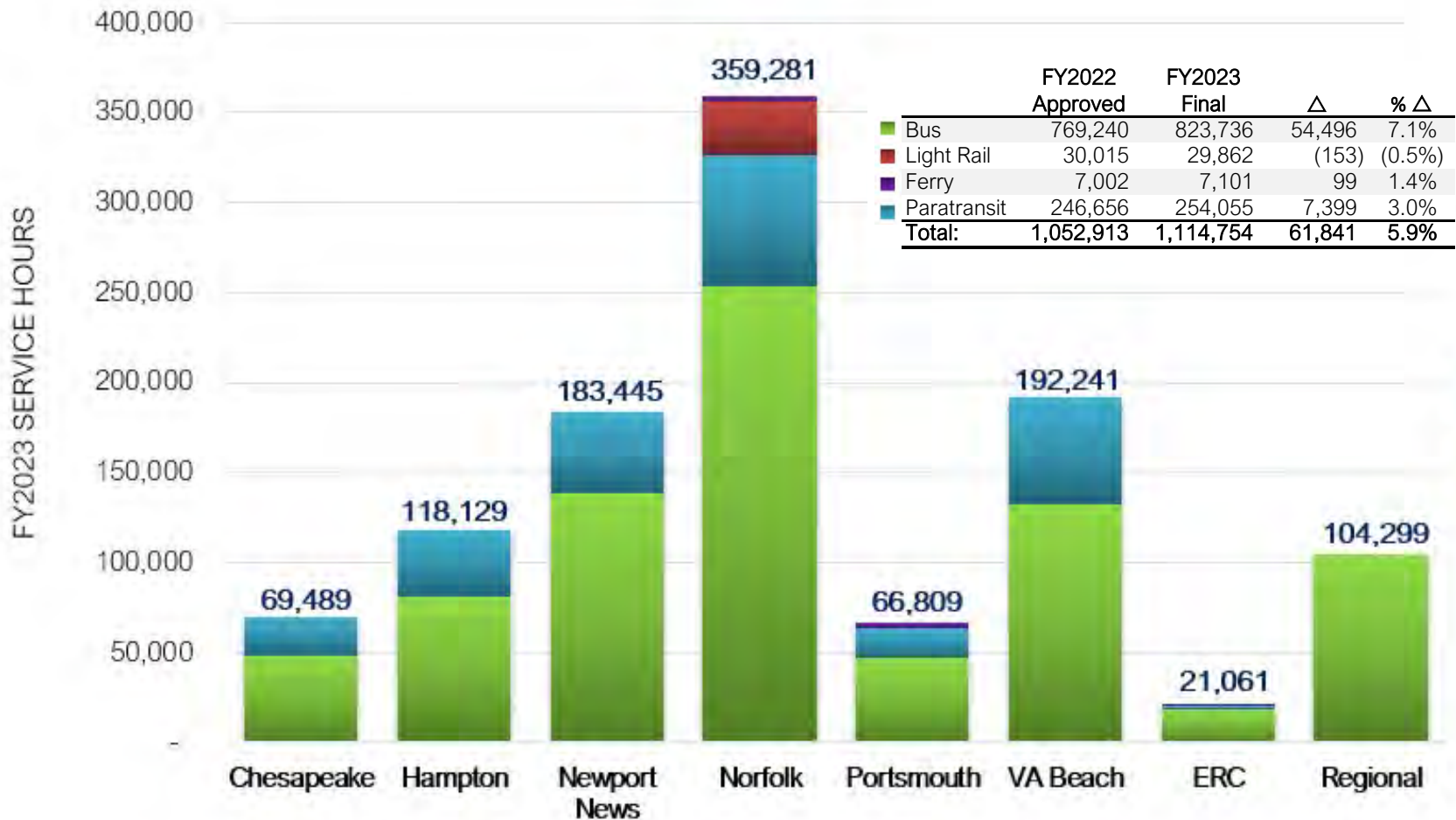
Portsmouth Routes (Dollars in Thousands)	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
41 Portsmouth	7,959	\$ 854.5	\$ 59.3	7%	\$ 442.8	52%	\$ 352.4	41%
43 Portsmouth	3,665	\$ 393.5	\$ 25.8	7%	\$ 203.9	52%	\$ 163.8	42%
44 Portsmouth	4,855	\$ 521.3	\$ 26.5	5%	\$ 270.1	52%	\$ 224.7	43%
45 Portsmouth	12,958	\$ 1,391.2	\$ 122.4	9%	\$ 721.0	52%	\$ 547.8	39%
47 Portsmouth	10,183	\$ 1,093.3	\$ 88.9	8%	\$ 566.5	52%	\$ 437.9	40%
50 Portsmouth	4,512	\$ 484.5	\$ 32.3	7%	\$ 251.1	52%	\$ 201.1	42%
57 Portsmouth	2,721	\$ 292.1	\$ 22.0	8%	\$ 151.4	52%	\$ 118.7	41%
Bus Total:	46,853	\$ 5,030.4	\$ 377.2	7%	\$ 2,606.8	52%	\$ 2,046.4	41%
Ferry:	3,232	\$ 802.3	\$ 126.8	16%	\$ 436.5	54%	\$ 239.0	30%
Paratransit:	16,724	\$ 1,407.2	\$ 55.6	4%	\$ 708.0	50%	\$ 643.6	46%
Portsmouth Modal Total:	66,809	\$ 7,239.9	\$ 559.6	8%	\$ 3,751.3	52%	\$ 2,929.0	40%
Commission Expense							\$ 215.4	
Advanced Capital Contribution							\$ 135.1	
Federal Aid-Strategic Allocation							\$ (264.2)	
Portsmouth Local Contribution:							\$ 3,015.3	

TRANSPORTATION SERVICE PLAN

FY2023 TRANSPORTATION SERVICE PLAN—CITY OF VIRGINIA BEACH

VA Beach City Routes (Dollars in Thousands)	Service Hours	Total Expense	Farebox Revenue	Farebox Recovery	Federal & State Aid	Operating Assistance %	Local Funding	Local Funding %
Bus								
1 VA Beach	3,248	\$ 348.7	\$ 33.8	9.7%	\$ 180.7	52%	\$ 134.2	38%
12 VA Beach	6,840	\$ 734.4	\$ 51.7	7.0%	\$ 380.5	52%	\$ 302.2	41%
15 VA Beach	2,065	\$ 221.7	\$ 24.9	11.2%	\$ 114.9	52%	\$ 81.9	37%
20 VA Beach	26,382	\$ 2,832.6	\$ 350.7	12.4%	\$ 1,468.0	52%	\$ 1,013.9	36%
21 VA Beach	3,248	\$ 348.7	\$ 30.4	8.7%	\$ 180.7	52%	\$ 137.6	39%
22 VA Beach	7,817	\$ 839.3	\$ 50.9	6.1%	\$ 434.9	52%	\$ 353.5	42%
24 VA Beach	7,231	\$ 776.3	\$ 20.8	2.7%	\$ 402.3	52%	\$ 353.2	45%
25 VA Beach	7,859	\$ 843.8	\$ 36.3	4.3%	\$ 437.3	52%	\$ 370.2	44%
26 VA Beach	5,330	\$ 572.3	\$ 25.5	4.5%	\$ 296.6	52%	\$ 250.2	44%
27 VA Beach	6,765	\$ 726.4	\$ 74.1	10.2%	\$ 376.4	52%	\$ 275.9	38%
29 VA Beach	7,805	\$ 838.0	\$ 57.6	6.9%	\$ 434.3	52%	\$ 346.1	41%
33 VA Beach	12,498	\$ 1,341.9	\$ 60.1	4.5%	\$ 695.5	52%	\$ 586.3	44%
36 VA Beach	8,757	\$ 940.2	\$ 77.4	8.2%	\$ 487.2	52%	\$ 375.6	40%
Bus Total:	105,845	\$ 11,364.3	\$ 894.2	7.9%	\$ 5,889.3	52%	\$ 4,580.8	40%
Trolley								
30 VA Beach	12,352	\$ 1,326.2	\$ 127.2	9.6%	\$ 687.3	52%	\$ 511.7	39%
31 VA Beach	3,270	\$ 351.1	\$ 47.1	13.4%	\$ 181.9	52%	\$ 122.1	35%
34 VA Beach	1,512	\$ 162.3	\$ 1.4	0.9%	\$ 84.1	52%	\$ 76.8	47%
35 VA Beach	7,836	\$ 841.3	\$ 19.1	0.0%	\$ 436.0	52%	\$ 386.2	46%
Enhancements	1,515	\$ 162.7	\$ -	0.0%	\$ 84.3	52%	\$ 78.4	48%
Trolley Total:	26,485	\$ 2,843.6	\$ 194.8	6.9%	\$ 1,473.6	52%	\$ 1,175.2	41%
Paratransit:	59,911	\$ 5,041.2	\$ 198.9	3.9%	\$ 2,536.4	50%	\$ 2,305.9	46%
Virginia Beach Modal Total:	192,241	\$ 19,249.1	\$ 1,287.9	6.7%	\$ 9,899.3	51%	\$ 8,061.9	42%
Commission Expense							\$ 215.4	
Advanced Capital Contribution							\$ 388.6	
Federal Aid-Strategic Allocation							\$ (409.3)	
Virginia Beach Local Contribution:							\$ 8,256.6	

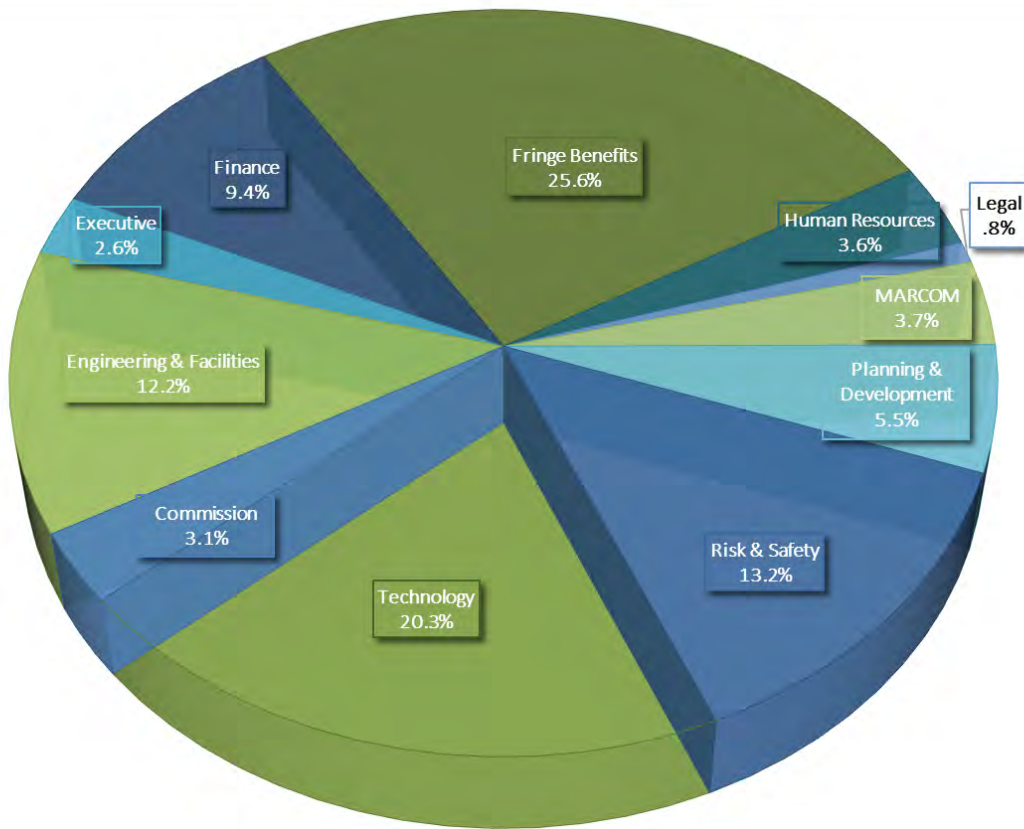
REVENUE SERVICE HOUR COMPARISON



SUPPORT SERVICES UNIT BUDGET

The Support Services Unit is designated as follows: Governance & Oversight, Direct Operational Support & Indirect Operational Support

- + Governance & Oversight: Commission, Executive, Finance (Offices of Accounting, Budget & Financial Analysis, and Procurement), Fringe Benefits, Human Resources, and Legal
- + Direct Operational Support: Finance (Office of Revenue Services) and Planning & Development (Offices of Customer Relations and Service Planning)
- + Indirect Operational Support: Engineering & Facilities, Marketing & Strategic Communications, Technology, Risk & Safety, and Planning & Development (Offices of Travel Demand Management, Advertising & Sales, and Transit Development)



	FY2023 Budget	% of Total
Commission	\$ 1,292,400	3.1%
Engineering & Facilities	\$ 5,131,100	12.2%
Executive	\$ 1,095,100	2.6%
Finance	\$ 3,926,400	9.4%
Fringe Benefits	\$ 10,727,400	25.6%
Human Resources	\$ 1,531,000	3.6%
Legal	\$ 381,500	0.8%
Marketing & Strategic Communications (MARCOM)	\$ 1,542,700	3.7%
Planning & Development	\$ 2,289,200	5.5%
Risk & Safety	\$ 5,537,500	13.2%
Technology	\$ 8,529,000	20.3%
Total	\$ 41,983,300	100.0%

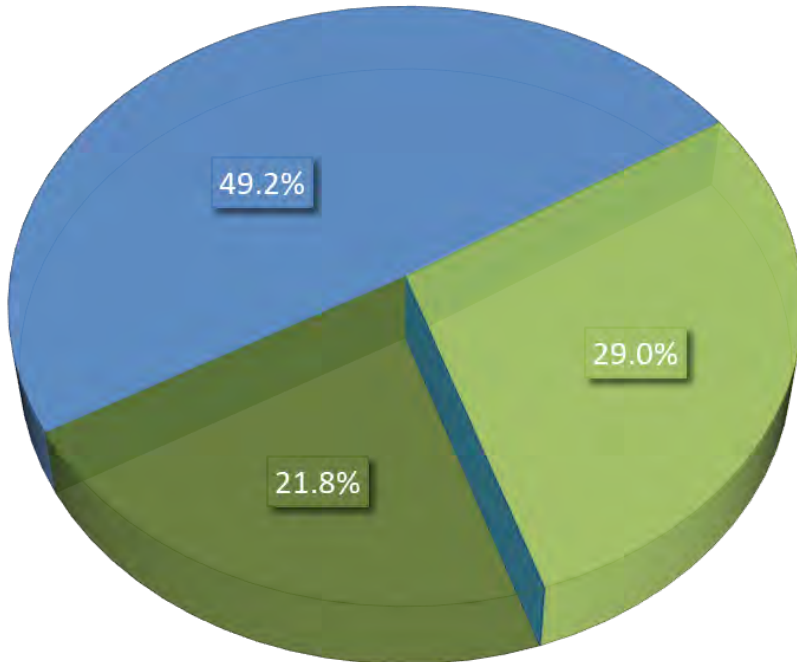
COMMISSION

The Transportation District Commission of Hampton Roads (TDCHR) governing body consists of 15 members. Each of the six component governments appoint one member of its governing body or the City Manager, who will serve at the pleasure of his or her respective component government. The Governor appoints one citizen Commissioner with voting privileges from each City served by the Transportation District, serving at the Governor’s pleasure. The Chairperson of the Commonwealth Transportation Board, or a designee, will be a member, ex-officio with voting privileges. Oversight responsibility is exercised by all of the participating localities through their designated representatives (Commissioners). Participating cities share equally in representation on the Commission and share equally in administration (Commission) expenses. In addition to locality representation, one State Senator and one State Delegate from the Virginia General Assembly sit on the board.

The primary function of Commission staff is to direct agency leadership to achieve the goals and objectives of the Commission and provide administrative and clerical support to the Commission. Commission staff includes the President & Chief Executive Officer, Commission Treasurer and Internal Auditor.

The Commission budget is comprised of salaries, travel, meeting and consultant expenses for the Commission.

Note: The Commission Treasurer dually serves as the Chief Financial Officer of the Finance Division.

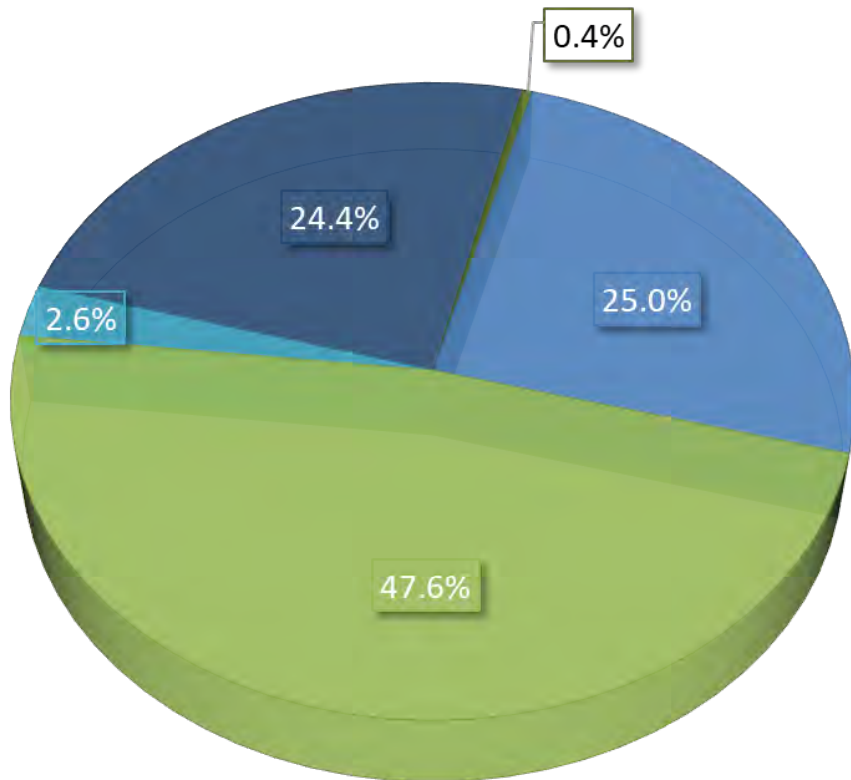


	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 562,300	\$ 585,600	\$ 634,900	49.2%
Contract Services	\$ 304,700	\$ 349,400	\$ 375,200	29.0%
Materials & Supplies	\$ 100	\$ 100	\$ 100	0.0%
Casualties & Liabilities	\$ 400	\$ 400	\$ 400	0.0%
Fees, Licenses & Misc	\$ 217,400	\$ 247,900	\$ 281,800	21.8%
	\$ 1,084,900	\$ 1,183,400	\$ 1,292,400	100.0%

ENGINEERING & FACILITIES

Engineering & Facilities is responsible for Facilities Maintenance & Asset Management, and Environmental Compliance & Sustainability. Facilities Maintenance manages the day to day operational support of the agency, major system and routine equipment maintenance, surplus property management, contract support management, and the general upkeep of agency properties. Environmental Compliance & Sustainability collaborates with personnel to communicate and coordinate contract management, procedures and sustainability initiatives of the Environmental Management and Sustainability (EMS) Program facilitating Environmental Policy compliance.

Note: Engineering & Facilities is comprised of a Chief, Director, Construction Projects Coordinator, Engineer, Analyst, Utility Worker, Cleaners, Mechanics, Managers, Technicians, and an Executive Assistant.



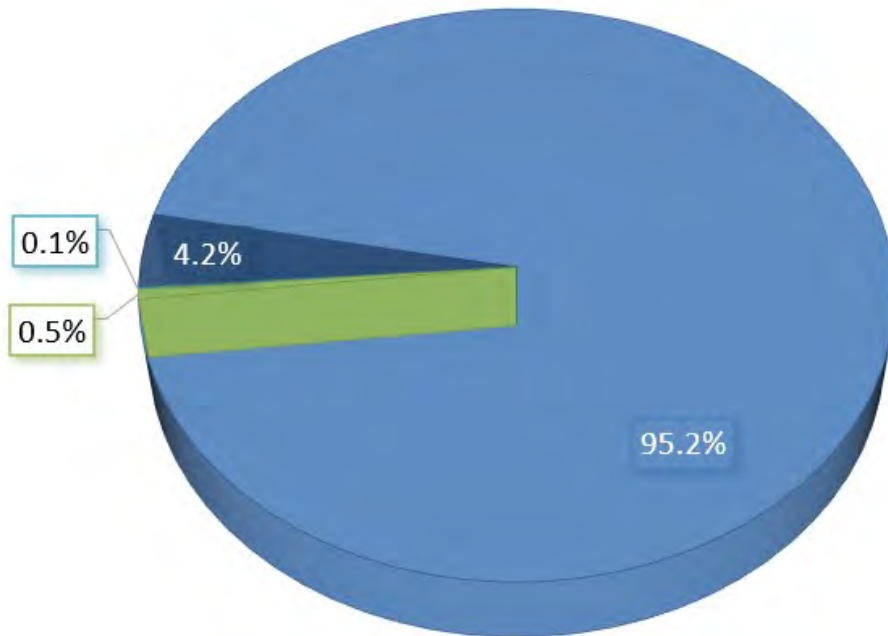
	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 1,312,100	\$ 1,156,200	\$ 1,281,300	25.0%
Contract Services	\$ 2,023,100	\$ 2,136,000	\$ 2,443,100	47.6%
Materials & Supplies	\$ 186,200	\$ 192,000	\$ 135,500	2.6%
Utilities & Taxes	\$ 798,300	\$ 1,225,000	\$ 1,250,000	24.4%
Fees, Licenses & Misc	\$ 25,000	\$ 21,900	\$ 21,200	0.4%
	\$ 4,344,700	\$ 4,731,100	\$ 5,131,100	100.0%

EXECUTIVE

The Executive Department, led by the President and Chief Executive Officer (CEO), is responsible for oversight of all functional areas within HRT including leadership to achieve the vision and mission of the agency and all Commission related activities.

The Department serves as the chief steward of public information maintaining policies, agreements, transactions and official agency correspondence. It also facilitates the development and implementation of the legislative and policy agenda of the Commission. Executive staff consists of the Senior Executive Assistant and Senior Executive Team, the Equal Employment Opportunity (EEO) Officer, Disadvantaged Business Enterprise (DBE) Liaison Officer, Title VI Compliance Officer, Internal Audit, and Corporate Counsel. Within the Executive Department, Management Services includes Records Management, Organizational Advancement (Government Relations), and the Office of Program and Project Excellence (OPPE) reporting to the Deputy CEO, with responsibilities of Title VI Compliance of the Civil Rights Act of 1964 and Disadvantaged Business Enterprise (DBE) Compliance Program under the United States Department of Transportation (USDOT) requirements, as well as HRT’s Strategic Planning Process, Capital Improvement Program, and Grants Administration.

Note: The Senior Executive Assistant also serves as the Commission Secretary.



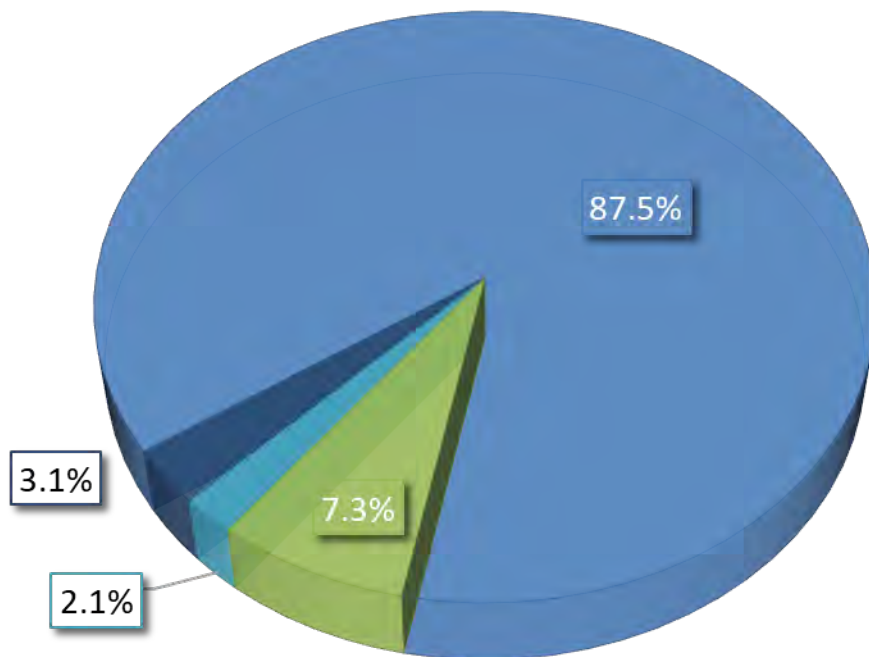
	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 514,800	\$ 929,600	\$ 1,042,100	95.2%
Contract Services	\$ 3,800	\$ 7,700	\$ 5,900	0.5%
Materials & Supplies	\$ 500	\$ 1,300	\$ 1,200	0.1%
Fees, Licenses & Misc	\$ 32,200	\$ 66,500	\$ 45,900	4.2%
Total	\$ 551,300	\$ 1,005,100	\$ 1,095,100	100.0%

FINANCE

FINANCE DIVISION

The Finance Division is responsible for the following: Accounting, Budget & Financial Analysis, Procurement and Revenue Services with a Chief Financial Officer dually serving as the Commission Treasurer.

- ⇒ **Office of Accounting** provides accurate and timely financial account and report services including accounts payable and receivable, fixed assets, payroll and administration of federal, state and local grant programs. Comprised of one Director, Assistant Director, Manager, Administrator, Coordinator, Accountants, and Technicians.
- ⇒ **Office of Budget & Financial Analysis** develops and administers annual Operating Budget, develops & administers annual Cash Capital budget (CapEx), monitors agency contracts & contract spending, reports periodically on Capital Project spending, provides analysis for key long-range plans, provides Cost Allocation formula application & guidance agency-wide. Comprised of one Director, Capital Budget Analyst, Contract Analyst, Sr. Budget Analyst and Budget Analyst.
- ⇒ **Office of Procurement** acquires supplies, professional and construction services in accordance with Virginia law and FTA regulations. Comprised of one Director, Assistant Director, Technician, Contract Administrator, Contract Specialists, and Buyers.
- ⇒ **Office of Revenue Services** collects, deposits, and accounts for all fare box revenue, media purchases and inventory. Comprised of one Director, Supervisors, Analysts, and Attendants.

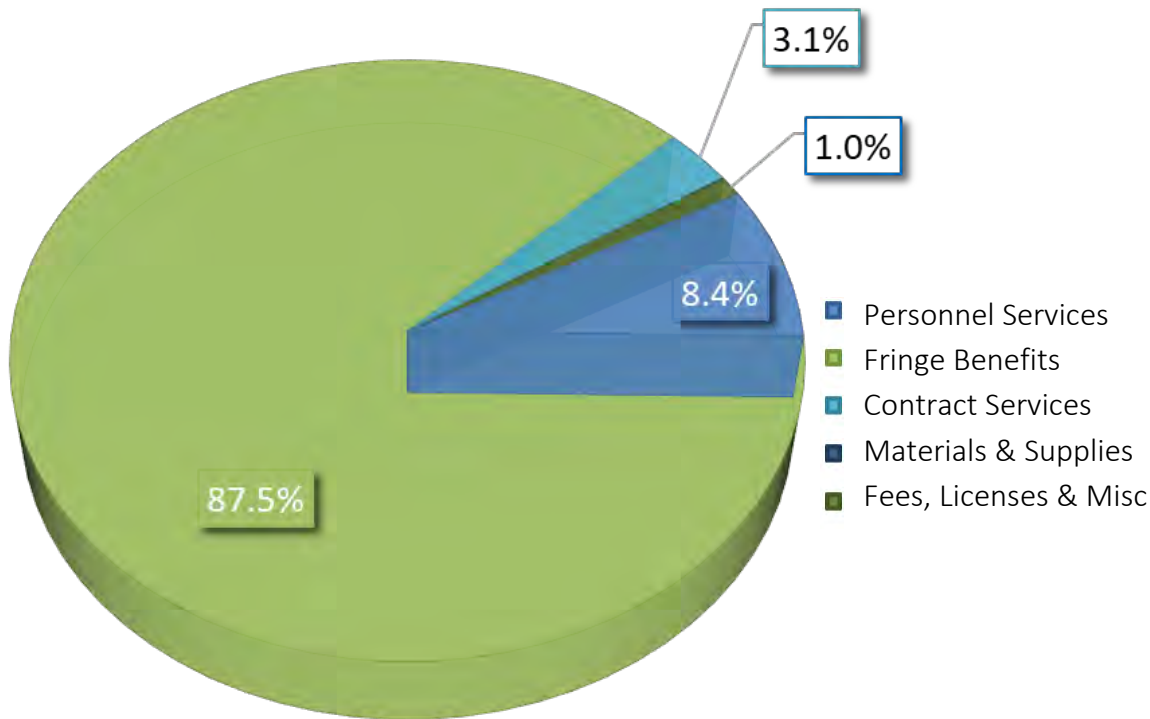


	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 2,392,600	\$ 3,328,700	\$ 3,437,700	87.5%
Contract Services	\$ 394,700	\$ 279,100	\$ 286,900	7.3%
Materials & Supplies	\$ 93,900	\$ 92,800	\$ 81,000	2.1%
Fees, Licenses & Misc	\$ 519,800	\$ 533,300	\$ 120,800	3.1%
	\$ 3,401,000	\$ 4,233,900	\$ 3,926,400	100.0%

HUMAN RESOURCES

The Human Resources Division is responsible for Human Resources, Benefits, Talent Acquisition, and Compliance. The Benefits Group’s responsibilities are benefits administration, oversight of contracts, and development and implementation of activities and programs including annual merit increases. The Talent Acquisition Group explores employer branding initiatives while ensuring the safety and transparency of the agency. The Compliance Group monitors overall adherence to the oversight of the Drug & Alcohol Program, EEO investigations, Federal and State regulations, DMV license requirements, certifications, accreditations, and compliance. Division staff play an integral role in providing quality customer service to our employees and management team while promoting a positive and safe working environment supporting a work/life balance.

Note: Human Resources is comprised of a Chief, Director, Assistant, Administrator, Coordinator, Analyst, Specialists, and Managers.



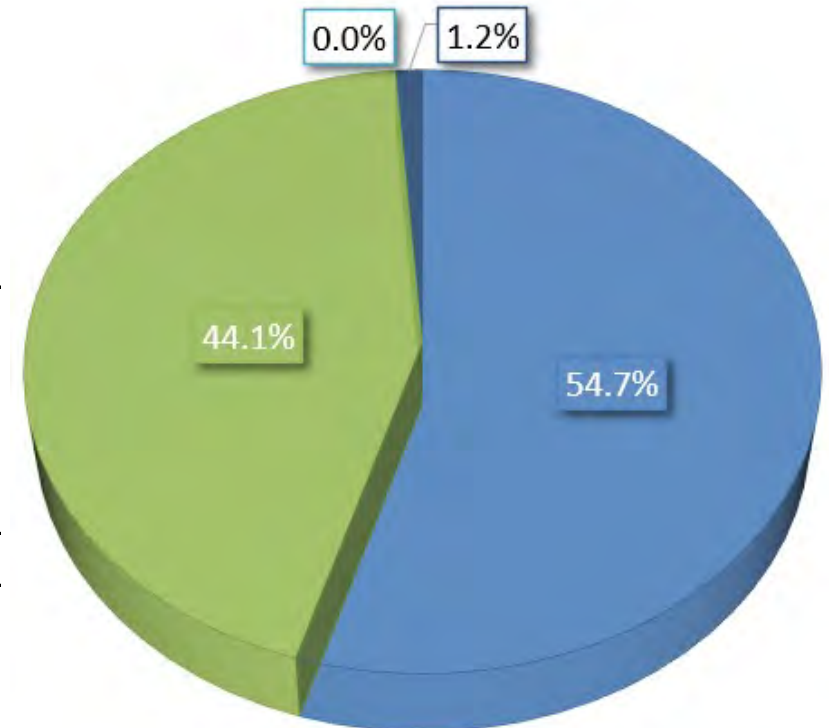
	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 867,100	\$ 861,600	\$ 1,018,000	8.4%
Fringe Benefits	\$ 10,213,200	\$ 10,325,600	\$ 10,727,400	87.5%
Contract Services	\$ 337,400	\$ 365,800	\$ 383,100	3.1%
Materials & Supplies	\$ 5,600	\$ 5,000	\$ 5,000	0.0%
Fees, Licenses & Misc	\$ 114,200	\$ 128,300	\$ 124,900	1.0%
Total	\$ 11,537,500	\$ 11,686,300	\$ 12,258,400	100.0%

LEGAL

The Legal Department is comprised of a Corporate Counsel serving as a member of the Senior Executive Team and responsible for providing legal advice and services to the President & CEO, other members of the Senior Executive Team, all departments, and the Board of Commissioners upon request. Corporate Counsel drafts and negotiates all contracts, agreements, leases, memoranda of understanding, memoranda of agreement, and documents on behalf of Hampton Roads Transit. Corporate Counsel may serve as the representative for Hampton Roads Transit in various legal proceedings, including depositions, arbitrations, mediations, regulatory and administrative proceedings and trial. From time to time, Corporate Counsel may be tasked with identifying, preparing and conducting training for employees and staff of Hampton Roads Transit. In the event outside legal counsel is employed, Corporate Counsel monitors external legal services, strategies, and costs and acts as the liaison between outside counsel and Hampton Roads Transit.

The Legal Department provides centralized legal services based on a proactive model for highly regulated industries. The Legal Department also offers legal counsel related to all corporate and commercial issues affecting Hampton Roads Transit, including, but not limited to: (i) federal, state and local regulatory compliance specific to transit and public agencies; (ii) public procurement; (iii) corporate governance; (iv) complex commercial transactions; (v) commercial lending; (vi) real estate; (vii) land use; (viii) eminent domain; (ix) Constitutional and civil rights issues; (x) commercial construction; (xi) maritime construction; (xii) labor and employment issues; and (xiii) litigation support for significant traumatic casualty claims.

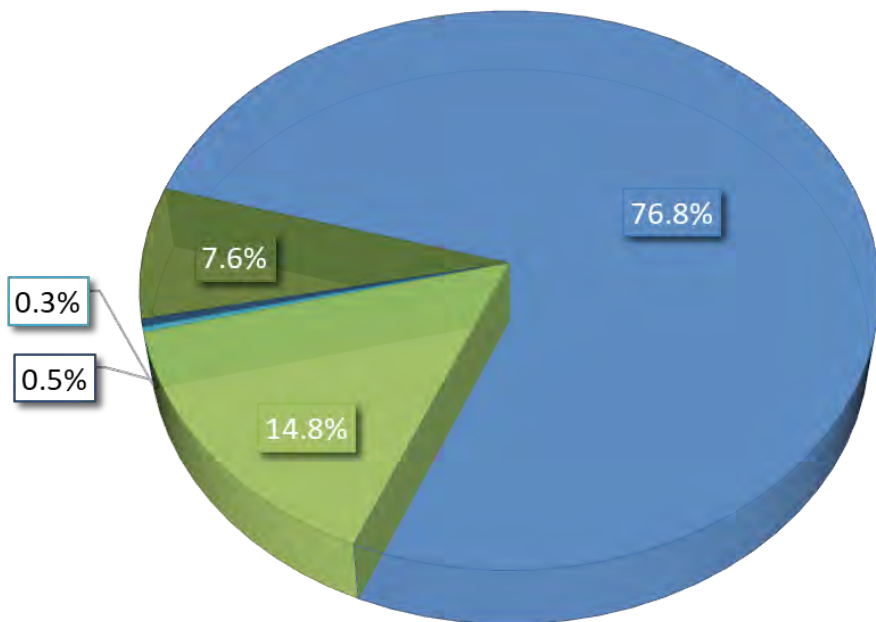
	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 185,600	\$ 186,400	\$ 208,600	54.7%
Contract Services	\$ 160,000	\$ 165,000	\$ 168,300	44.1%
Materials & Supplies	\$ 200	\$ 200	\$ 100	0.0%
Fees, Licenses & Misc	\$ 4,300	\$ 4,400	\$ 4,500	1.2%
	\$ 350,100	\$ 356,000	\$ 381,500	100.0%



MARKETING & STRATEGIC COMMUNICATIONS

Marketing & Strategic Communications is responsible for promoting an accurate and positive image of Hampton Roads Transit within the organization and to the general public. The Marketing group works across a range of disciplines to share information about the agency’s policies and practices using traditional and web-based platforms to reach people at work, at home and on the go. It refines and improves the agency’s brand while supporting agency departments with initiatives and programs through public outreach, planning and communication development. The department develops and executes marketing and advertising campaigns to teach the public about transit and introduce customers to new and evolving services. Additionally, this sector creates, designs and implements media campaigns promoting alternative transportation options through congested regional transportation corridors. The Business Development group explores ways to connect customers with their work places and communities through Transportation Demand Management (TDM) strategies also known as the TRAFFIX Program. This includes strategies such as vanpools, telework, rideshares, and other options to the single occupant vehicle. This group also manages the GoPass 365 program which is the HRT annual Pass program for Military personnel, public and private universities and private businesses. The group also manages external advertisements on HRT buses, light rail, ferries and other real properties as a source of additional operating revenues in support the of annual HRT operating budget.

Note: Marketing & Strategic Communications is comprised of a Chief, Directors, Managers, Specialists, Graphic Artists, and Coordinators.

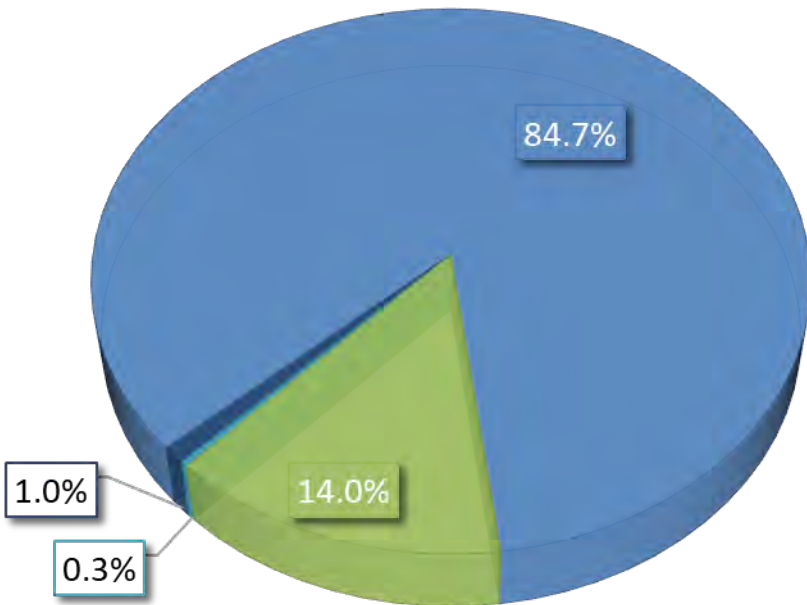


	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 1,268,200	\$ 814,300	\$ 1,185,500	76.8%
Contracted Services	\$ 425,000	\$ 452,500	\$ 228,000	14.8%
Materials & Supplies	\$ 5,400	\$ 5,000	\$ 4,600	0.3%
Utilities & Taxes	\$ 7,000	\$ 7,000	\$ 7,000	0.5%
Fees, Licenses & Misc	\$ 134,800	\$ 133,600	\$ 117,600	7.6%
Total	\$ 1,840,400	\$ 1,412,400	\$ 1,542,700	100.0%

PLANNING & DEVELOPMENT

The Planning & Development Division is responsible for Service Planning and Scheduling, Transit Development, and Customer Relations. The Service Planning and Scheduling group is responsible for planning fixed route services, preparing schedules for all modes, determining locations of bus stops, and passenger amenities at the bus stops, maintaining the database for bus stops and bus shelters, the ten-year Transit Strategic Plan, and the annual development of the Transportation Service Plan (TSPs) for each member city as described in the Cost Allocation Agreement. It also serves as the warehouse of transit data collection and data analytics including the preparation of the agency’s annual submission to the National Transit Database (NTD) maintained by the Federal Transit Administration (FTA). The Transit Development group plans and manages fixed guideway and high capacity transit studies, and the capital investment grant program as defined by the Federal Transit Administration, as well as transit-oriented development projects. This group also supports the preparation of requests for federal, state and local funding as well as managing the planning and environmental assessment for new rail, bus and intermodal transportation. The Customer Relations group provides information to customers at transit centers and through HRT’s call center, responds to complaints and compliments, issues Student Freedom Pass ID cards, and manages the Lost and Found program.

Note: Planning & Development is comprised of a Chief Officer, Directors, Managers, Planners, Customer Service Representatives, Specialists, Customer Service Supervisors, Data Analysts, Data Collectors, Customer Service Liaisons, Receptionist/Switchboard Operators, Advertising Installers, Schedulers, and an Executive Assistant.



	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 2,576,800	\$ 1,914,200	\$ 1,937,900	84.7%
Contracted Services	\$ 158,800	\$ 251,500	\$ 321,400	14.0%
Materials & Supplies	\$ 5,400	\$ 6,300	\$ 6,700	0.3%
Fees, Licenses & Misc	\$ 28,500	\$ 25,100	\$ 23,200	1.0%
Total	\$ 2,769,500	\$ 2,197,100	\$ 2,289,200	100.0%

RISK & SAFETY

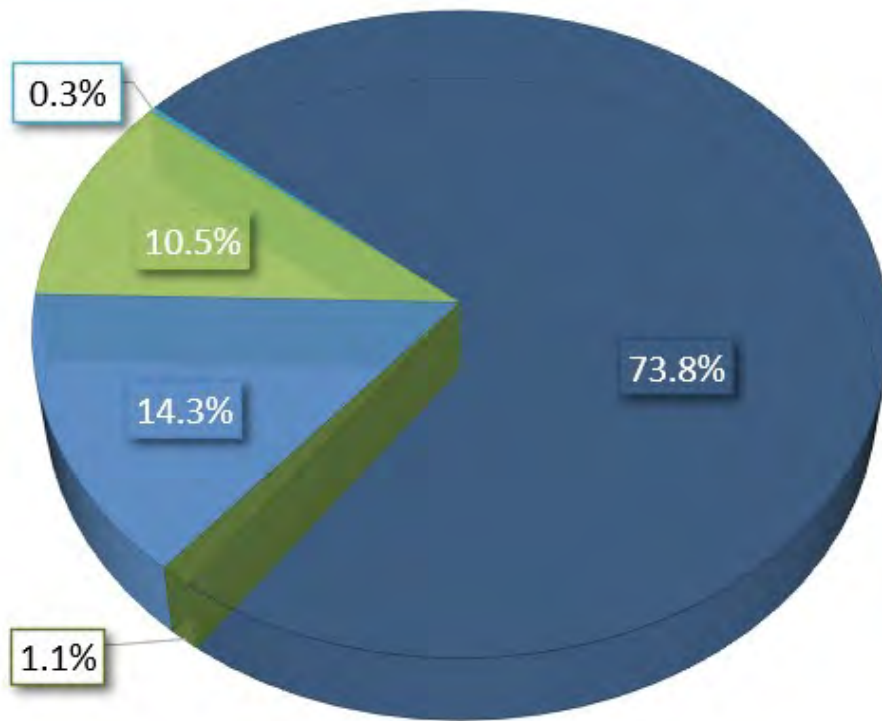
RISK

Risk Management Department provides oversight for a Third Party Administrator, worker’s compensation, personal injury and property damage claims.

SAFETY

The Safety Department is responsible for assisting the Agency in maintaining a safe and secure environment for employees and customers. This Department provides guidance on identifying and evaluating hazards and vulnerabilities resulting in the mitigation of potential risks to their lowest achievable level for the agency.

Note: Safety is comprised of a Chief, Specialists, Managers, and an Executive Assistant.

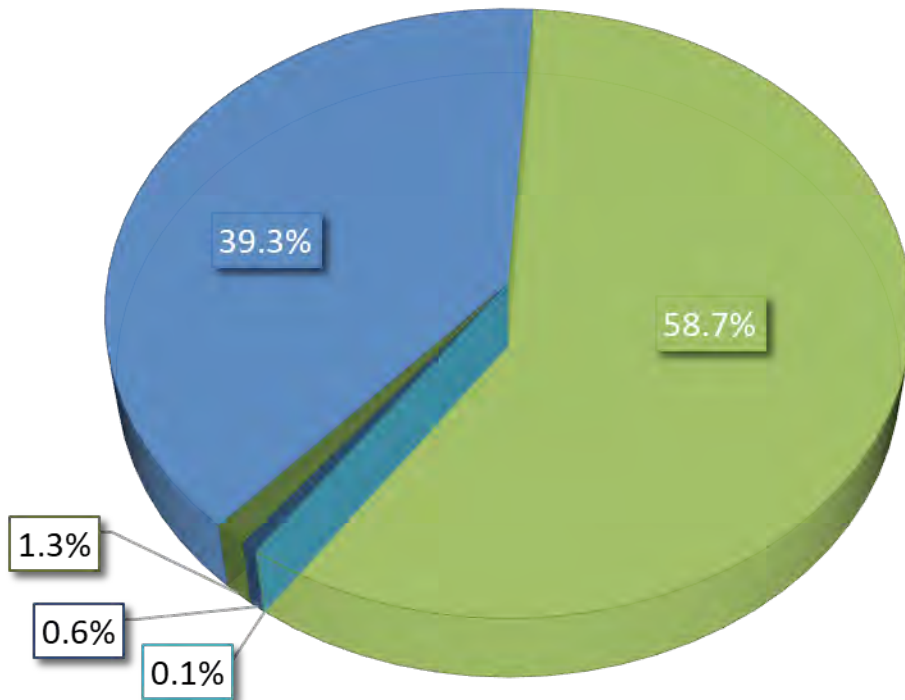


	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 718,500	\$ 744,900	\$ 792,000	14.3%
Contracted Services	\$ 545,500	\$ 557,700	\$ 581,500	10.5%
Materials & Supplies	\$ 3,500	\$ 25,000	\$ 16,400	0.3%
Casualties & Liabilities	\$ 3,661,500	\$ 3,798,100	\$ 4,084,700	73.8%
Fees, Licenses & Misc	\$ 95,600	\$ 63,700	\$ 62,900	1.1%
Total	\$ 5,024,600	\$ 5,189,400	\$ 5,537,500	100.0%

TECHNOLOGY

The Technology Division is responsible for the Office of the Chief Information Officer/Chief Technology Officer (CIO/CTO) (Support Services), Enterprise Resource Planning (ERP) Services, Technology Infrastructure & Operations Services (TIOS), Enterprise Technology Solutions (ETS) and Intelligent Transportation Systems (ITS). The Office of the CIO/CTO (Support Services) directs and coordinates agency-wide information resource planning to ensure information technology (IT), information management (IM), and IT security resources are selected and managed to provide maximum value to the agency. The CIO/CTO also oversees the Technology Project Management Office (TPMO) and the Information Technology Security Office (ITSO). ERP Services provides implementation services and technical support, primarily for users of the agency's ERP systems including: PeopleSoft HCM, PeopleSoft Financials and the new Microsoft Dynamics 365 implementation. TIOS provides wired and wireless connections between customer devices (such as workstations and laptops) and agency networks, providing internet access and Agency IT and OT systems, services and applications. Network Services assists with technical support to help manage relationships between HRT and external suppliers such as equipment supply houses and system maintenance vendors. Technology also supervises the agency IT Helpdesk. ETS manages IT Services portfolio and maintains business relationships to achieve specific strategic agency objectives. ITS focuses on intelligent vehicles, infrastructure and the creation of a transportation system through integration with and between these two components to increase the safety and efficiency of the transit system.

Note: Technology is comprised of a Chief, Directors, Developers, Engineers, Analysts, Administrators, Managers, Specialists, Technicians, and an Executive Assistant.

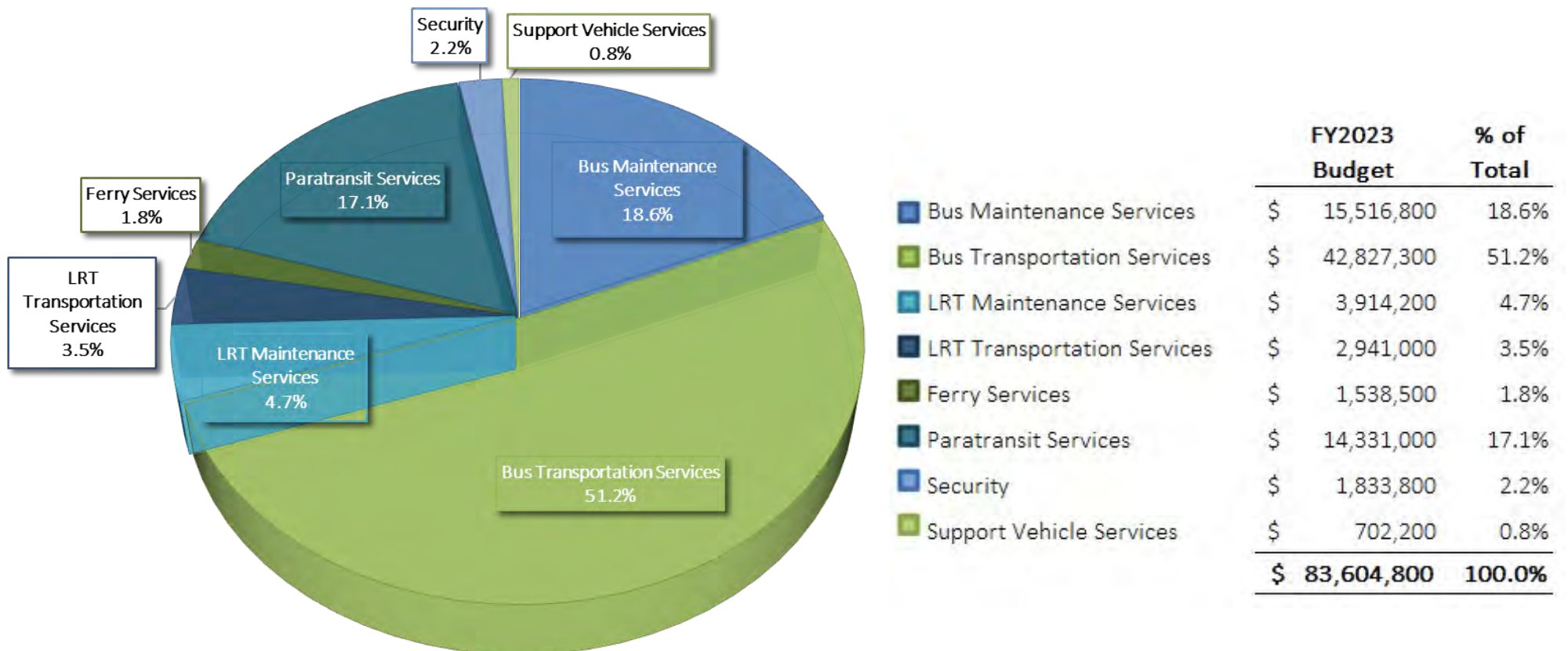


	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 2,844,700	\$ 2,788,600	\$ 3,361,300	39.3%
Contracted Services	\$ 3,453,500	\$ 4,994,700	\$ 5,003,200	58.7%
Materials & Supplies	\$ 6,600	\$ 6,700	\$ 5,500	0.1%
Utilities & Taxes	\$ 64,800	\$ 66,800	\$ 51,900	0.6%
Fees, Licenses & Misc	\$ 68,300	\$ 98,100	\$ 107,100	1.3%
Total	\$ 6,437,900	\$ 7,954,900	\$ 8,529,000	100.0%

OPERATIONS UNIT BUDGET

The Operations Unit is designated as follows: Bus Maintenance & Transportation Services (mode 100), Rail Maintenance & Transportation Services (mode 150), Ferry Services (mode 140), Paratransit Services (mode 170), Security, and Support Vehicles Services (mode 180).

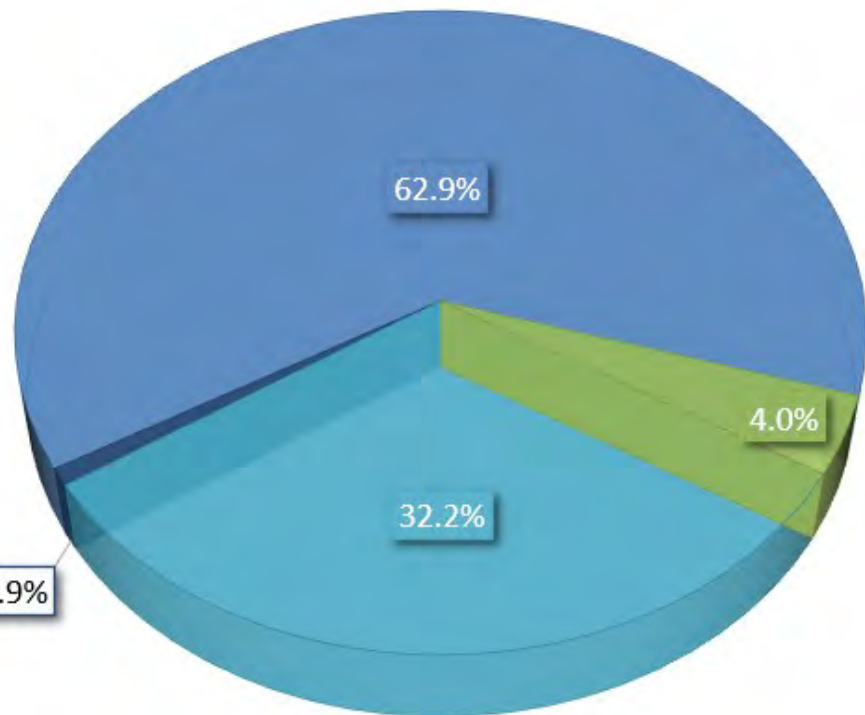
The Chief Operations Officer is responsible for all aspects of Operations. The Director of Maintenance manages all functions associated with Maintenance Services while the Director of Transportation oversees all facets of Transportation Services. The Inventory Services sector maintains all agency inventory and the Warranty Administrator supervises all aspects of agency warranty. The Manager of Security maintains all emergency and preparedness services. The Fleet Support Services area maintains all operations modal ancillary electronic systems. Some positions within the Operations Division dually support various modal factions.



BUS MAINTENANCE SERVICES

Bus Maintenance Services is responsible for supporting the operational needs of the agency’s bus system from refueling and preventive maintenance to major and running repair programs, training of existing and incoming maintenance personnel, inventory management, and fleet (technical) support services. This sector is charged with ensuring the agency has sufficient clean, safe, and serviceable buses available to meet daily operational demands. This Department with the support of the Fleet Support Services group also provide maintenance and support for mobile and portable radio systems, Advanced Communication System (ACS), Automatic Passenger Counters (APS), fare collection, Wi-Fi on buses and digital security camera systems. Preventive maintenance represents efficient use of the agency’s assets to maintain a State of Good Repair (SGR).

Note: Bus Maintenance Services is comprised of a Director, Managers, Supervisors, Technicians, Mechanics and Helpers, Servicers and Cleaners, Storeroom Clerks, and Specialists.



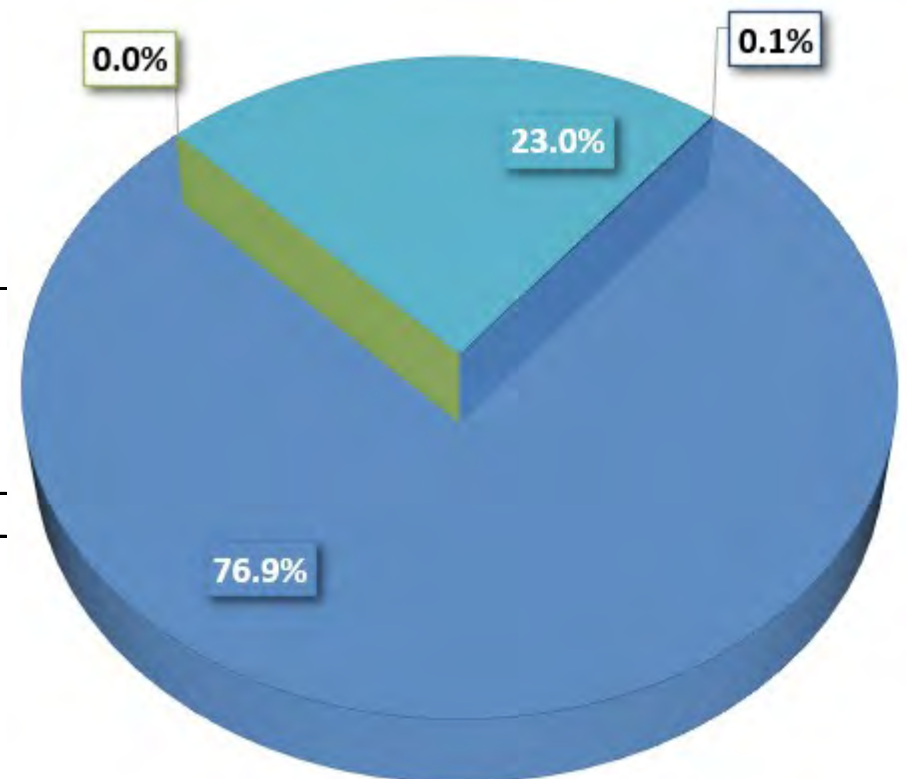
	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 7,740,200	\$ 8,559,400	\$ 9,774,300	62.9%
Contracted Services	\$ 855,000	\$ 830,000	\$ 613,900	4.0%
Materials & Supplies	\$ 4,005,600	\$ 4,383,900	\$ 4,992,300	32.2%
Fees, Licenses & Misc	\$ 88,700	\$ 63,200	\$ 136,300	0.9%
	\$ 12,689,500	\$ 13,836,500	\$ 15,516,800	100.0%

BUS TRANSPORTATION SERVICES

Bus Transportation Services operates fixed route bus service and provides High Occupancy Vehicle (HOV), Metro Area Express (MAX), commuter, and seasonal Trolley Base services. With three bus service locations designated as Southside providing service to the cities of Chesapeake, Norfolk, Portsmouth and Virginia Beach; Northside providing service to Hampton and Newport News; and Trolley Base serving the Virginia Beach Oceanfront from Mid-May through September, known as the VB Wave. This sector also provides training for all Bus Operators and Supervisors including new agency personnel on the operation of bus vehicles in order to secure Commercial Drivers Licenses (CDLs). Personnel also undergo annual refresher courses. The Norfolk Central Dispatch Office support operators on their routes and Hampton Dispatch operation controls operator sign in and sign out.

Note: Bus Transportation Services is comprised of a Director, Operators, Supervisors, Instructors, Driver/Road Trainers, Managers, Technicians, Controllers/Dispatchers, Specialists, Analyst and a Senior Executive Assistant.

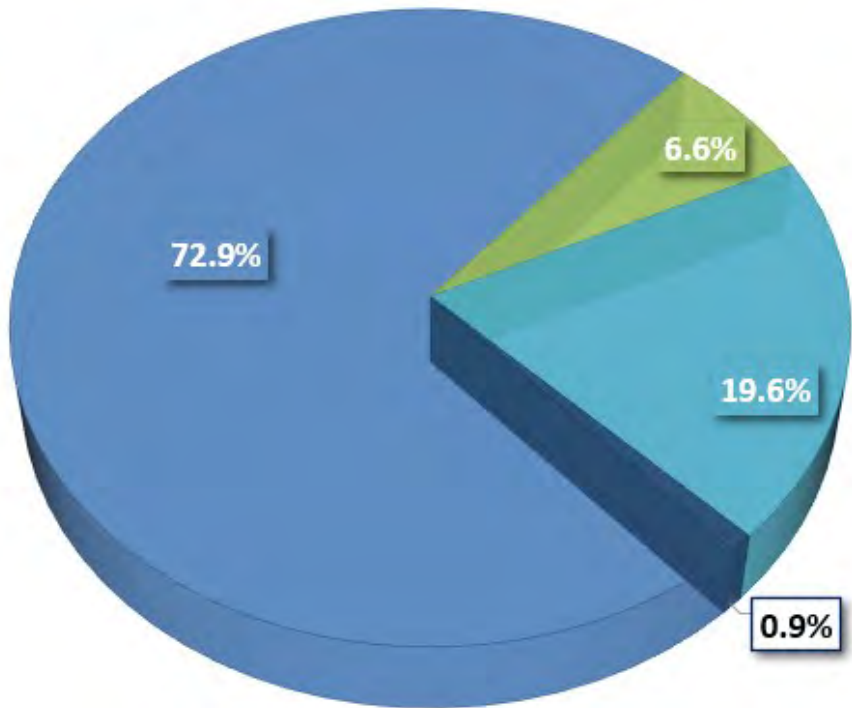
	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
■ Personnel Services	\$ 28,493,700	\$ 29,996,600	\$ 32,941,100	76.9%
■ Contracted Services	\$ 4,000	\$ 4,900	\$ -	0.0%
■ Materials & Supplies	\$ 4,258,300	\$ 3,872,700	\$ 9,843,500	23.0%
■ Fees, Licenses & Misc	\$ 24,200	\$ 25,100	\$ 42,700	0.1%
	\$ 32,780,200	\$ 33,899,300	\$ 42,827,300	100.0%



RAIL MAINTENANCE SERVICES

Rail Maintenance Services is responsible for Light Rail Vehicle (LRV) preventive and corrective maintenance, inventory management, training of existing and incoming maintenance personnel, maintenance of the 7.4 miles of the Light Rail Right-of-Way and all Operations Facilities equipment, and fleet (technical) support services. This sector is charged with ensuring the agency has sufficient clean, safe, and serviceable light rail vehicles available to meet daily operational demands. This Department, with the support of the Fleet Support Services group also provide maintenance and support for mobile and portable radio systems, automatic passenger counters, fare collection, Wi-Fi on the trains digital security camera systems and a variety of ancillary electronic equipment within the light rail system. Preventive maintenance represents efficient use of the agency's assets to maintain a State of Good Repair (SGR).

Note: Rail Maintenance Services is comprised of a Director, Managers, Supervisors, Technicians, Rail Hostlers, Track Maintainers, Storeroom Clerks, and a Warranty Administrator.



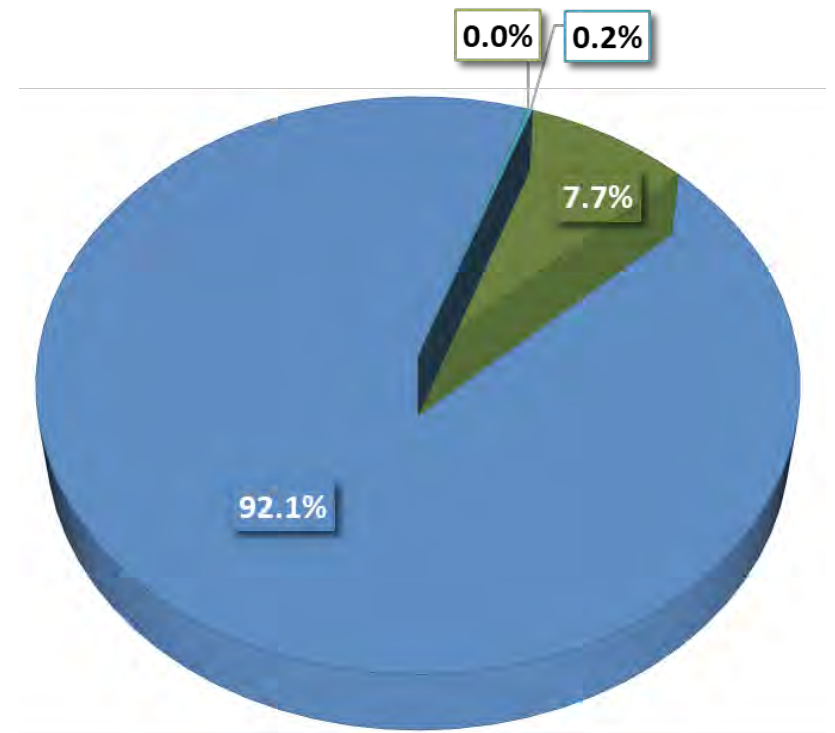
	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 2,461,800	\$ 2,462,700	\$ 2,855,500	72.9%
Contracted Services	\$ 226,400	\$ 199,400	\$ 257,000	6.6%
Materials & Supplies	\$ 589,600	\$ 708,800	\$ 767,500	19.6%
Fees, Licenses & Misc	\$ 34,200	\$ 22,200	\$ 34,200	0.9%
Total	\$ 3,312,000	\$ 3,393,100	\$ 3,914,200	100.0%

RAIL TRANSPORTATION SERVICES

Rail Transportation Services is responsible for providing rail transportation services. This sector also develops, implements and trains all Rail Operators and Controller/Dispatchers on all light rail operations aspects. The department also offers Track Access training for Systems employees, City Public Works, Police and Fire Department personnel accessing the alignment or Right-of-Way. Rail maintenance personnel are instructed on the operation of the rail vehicle in the rail yard. Personnel also undergo annual refresher courses.

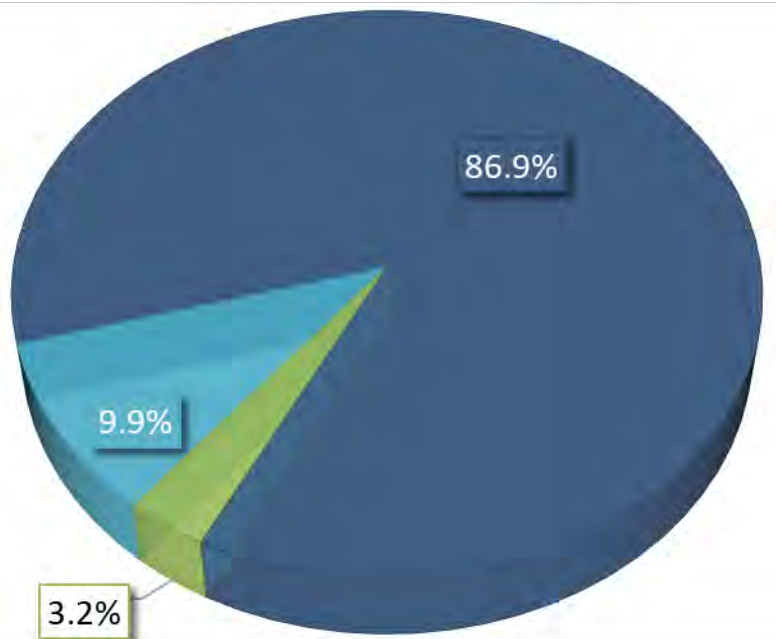
Note: Rail Transportation Services is comprised of a Director, Operators, Controller/Dispatchers, Supervisors, Managers, and Technicians.

	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 2,453,900	\$ 2,616,600	\$ 2,706,700	92.1%
Contracted Services	\$ 3,200	\$ 2,500	\$ 1,100	0.0%
Materials & Supplies	\$ 6,500	\$ 8,100	\$ 6,500	0.2%
Utilities & Taxes	\$ 427,400	\$ -	\$ -	0.0%
Fees, Licenses & Misc	\$ 141,400	\$ 150,200	\$ 226,700	7.7%
	\$ 3,032,400	\$ 2,777,400	\$ 2,941,000	100.0%



FERRY SERVICES

Hampton Roads Transit contracts with Norfolk-by-Boat to provide ferryboat service on the Elizabeth River between Downtown Norfolk and Olde Town Portsmouth. The Agency also provides special event services to Harbor Park Stadium, home to Norfolk’s Minor League Baseball team, The Tides. The fleet consists of three, HRT-owned T-class, 150-passenger ferries that operate with dual control twin diesel engines. The ferries offer historical charm including a smokestack, canvas roof and paddlewheel. They are fast, economical and offer a unique view of the river and the waterfront. Ferry service operates every 30 minutes with 15-minute service during the summer at peak times on weekends. Schedules are subject to change based upon operating situations such as special events or weather but are often used by commuters and tourists wishing to escape miles of congested highways. Like all HRT transit vehicles, the ferry is wheelchair accessible and allows boarding passengers to walk on with their bicycles. The ferry service operates approximately 7,000 service hours annually under the direction of the Manager of Operations Administration who manages the Norfolk-by-Boat contract.



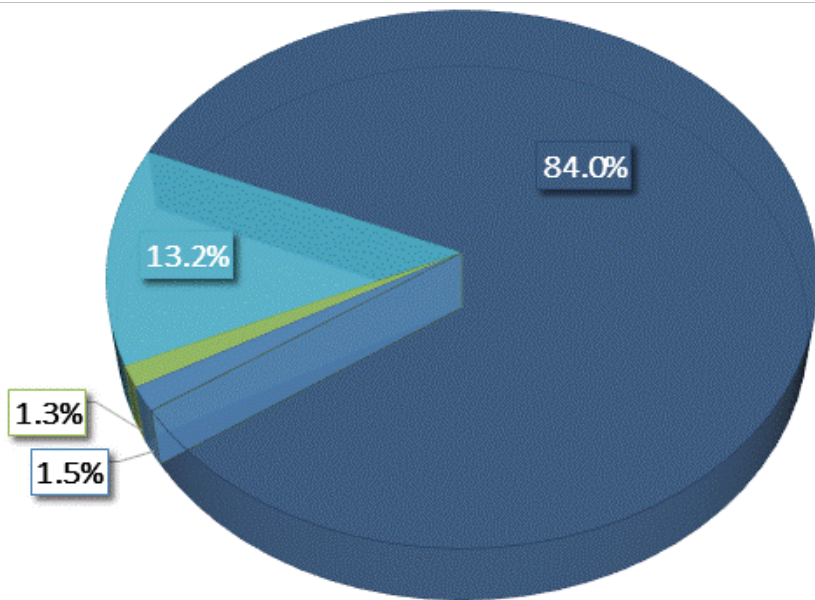
	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 42,900	\$ -	\$ -	0.0%
Contracted Services	\$ 122,300	\$ 50,000	\$ 50,000	3.2%
Materials & Supplies	\$ 66,200	\$ 61,300	\$ 153,000	9.9%
Purchased Transportation	\$ 1,227,400	\$ 1,261,200	\$ 1,335,100	86.9%
Fees, Licenses & Misc	\$ -	\$ 200	\$ 400	0.0%
Total	\$ 1,458,800	\$ 1,372,700	\$ 1,538,500	100.0%

PARATRANSIT SERVICES

Paratransit Services, also known as Handi-Ride, is responsible for determining the eligibility (and recertification) - via a private contractor - of applicants to use the service, the maintaining of client files, the dissemination of Paratransit information and conducting monthly appeal hearings. All clients certified to use the service are required to pay a \$3.50 fare for each trip. All trips are scheduled a minimum of 24 hours and up to 7 days in advance. Scheduled pickups are based on a 30-minute window. Handi-Ride is a curb-to-curb service and as it is part of the public transportation system, multiple clients are often scheduled to ride together.

Paratransit Services are mandated by the federal government in accordance with the Americans with Disabilities Act (ADA). The act ensures that persons with disabilities have access to our fixed route transit system. Paratransit services operate the same days and hours as the regular service and are limited to the same areas as HRT's fixed route bus service.

An Administrator with the assistance of a Coordinator manages daily Paratransit Services. HRT currently utilizes third-party providers to schedule and provide service.



	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 194,600	\$ 195,000	\$ 208,300	1.5%
Contracted Services	\$ 179,200	\$ 180,000	\$ 184,300	1.3%
Materials & Supplies	\$ 755,000	\$ 606,800	\$ 1,885,000	13.2%
Purchased Transportation	\$ 7,646,300	\$ 7,440,500	\$ 12,050,200	84.0%
Fees, Licenses & Misc	\$ 2,200	\$ -	\$ 3,200	0.0%
Total	\$ 8,777,300	\$ 8,422,300	\$ 14,331,000	100.0%

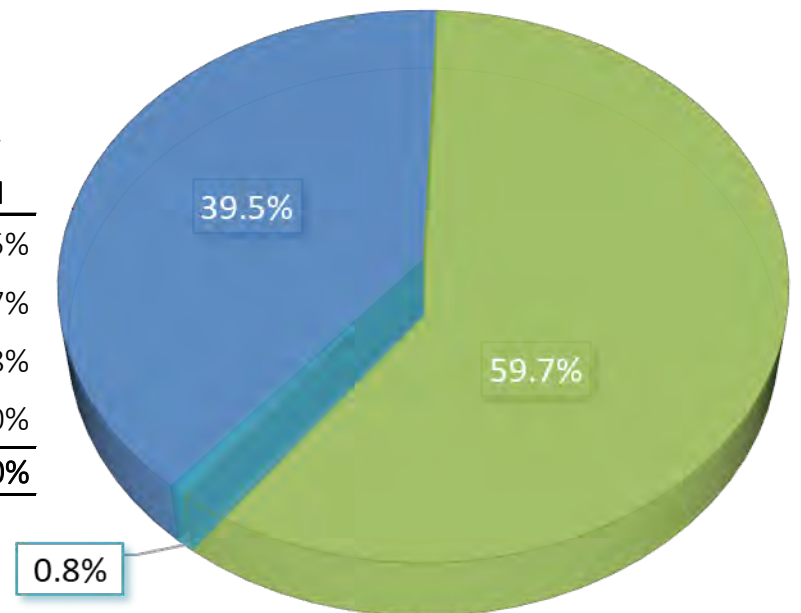
SECURITY



The Security Department manages security services for the agency to include all transfer centers, modes, and vehicles. Staff works with police departments throughout the Hampton Roads area maintaining compliance with laws and ordinances.

Note: Security is comprised of a Manager, Extra Duty Police Supervisor, Extra Duty Police Officers, Specialists, Special Police Officers, Transit Security Officers, and Security Guards.

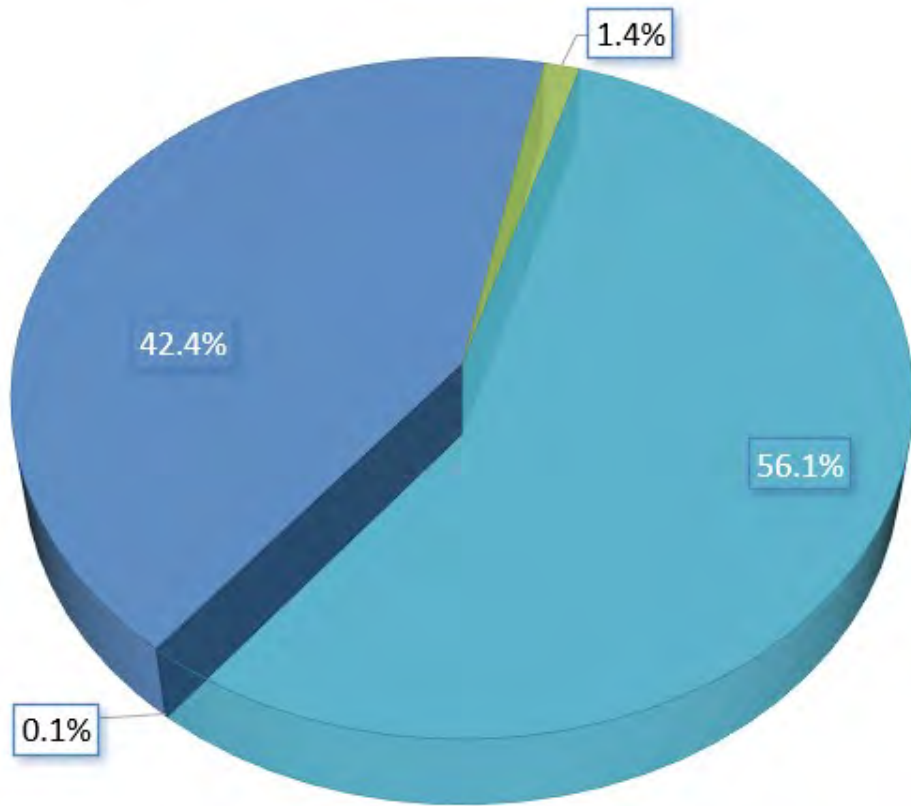
	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 594,500	\$ 595,600	\$ 725,000	39.5%
Contracted Services	\$ 1,111,000	\$ 1,101,800	\$ 1,093,800	59.7%
Materials & Supplies	\$ 18,000	\$ 6,000	\$ 15,000	0.8%
Fees, Licenses & Misc	\$ 3,500	\$ 4,300	\$ -	0.0%
Total	\$ 1,727,000	\$ 1,707,700	\$ 1,833,800	100.0%



SUPPORT VEHICLE SERVICES

Support Vehicle Services performs all scheduled preventive maintenance and repairs of the support (non-revenue) vehicles, including tracking mileage and ensuring proper fleet vehicle use .

Note: Support Vehicle Services is comprised of a Supervisor, Mechanics and Cleaners.



	FY2021 Budget	FY2022 Budget	FY2023 Budget	% of Total
Personnel Services	\$ 221,400	\$ 265,200	\$ 297,000	42.4%
Contracted Services	\$ 26,800	\$ 27,600	\$ 10,000	1.4%
Materials & Supplies	\$ 182,400	\$ 179,000	\$ 394,200	56.1%
Fees, Licenses & Misc	\$ 1,700	\$ -	\$ 1,000	0.1%
	\$ 432,300	\$ 471,800	\$ 702,200	100.0%



APPENDIX—GLOSSARY

Accrual Basis of Accounting is a method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur regardless of the timing of related cash flows.

Adopt-A-Bus is an advertising program selling space on transit vehicle exteriors.

Adopted Budget is the budget once approved by the Commission.

Americans with Disabilities Act (ADA) was passed by federal legislature in 1990, this Act provides comprehensive guidelines to protect disabled individuals against discrimination.

Budget Resolution is the official enactment of the Commission establishing authority for HRT to spend resources.

Bus is a mode of transit service (also called **motor bus**) characterized by roadway vehicles powered by diesel, gasoline, battery, or alternative fuel engines contained within the vehicle. Vehicles operate on streets and roadways in fixed-route or other regular service. Types of bus service include local service, where vehicles may stop every block or two along a route several miles long. Other types of bus service are **express service**, **limited-stop service**, and **bus rapid transit (BRT)**.

Capital Spending is the obligation of funds for the purchase of capital assets.

Casualty and Liability Expenses are the cost elements covering protection of the transit agency from loss through insurance programs, compensation of others for their losses due to acts for which the transit agency is liable, and recognition of the cost of a miscellaneous category of corporate losses.

Crossroads is a bus service from Norfolk to Hampton and vice versa utilizing Hampton Roads Bridge Tunnel.

Demand Service is a paratransit service where HRT responds to customer needs; different from Fixed Schedule service.

Earmarked Grant is a source of funding designated for specific projects / purposes.

Enterprise Fund is a proprietary fund type used to report an activity for which a fee is charged to external users for goods and services.

Equal Employment Opportunity is a program the agency utilizes to ensure that hiring is based on qualifications.

Fund Balance is a balance sheet category; i.e. Assets - Liabilities = Fund Balance.

Federal Transit Administration is the branch of the United States Department of Transportation that administers federal transit programs.

Ferry Boat is a transit mode comprising vessels carrying passengers and in some cases vehicles over a body of water, and that are generally steam or diesel-powered.

Formula Grant is a source of funding intended for multiple organizations based on some type of allocation.

Fringe Benefits are the payments or accruals to others (insurance companies, governments, etc.) on behalf of an employee and payments and accruals direct to an employee arising from something other than a piece of work.

Full Time Equivalents are a unit for measuring personnel according to the percentage of hours worked based on a 40-hour week.

Fund Transfers are the accounting of transfers between separate funds.



APPENDIX—GLOSSARY

Government Funds, Federal (also called **Federal Assistance**) is financial assistance from funds that are from the federal government at their original source that are used to assist in paying the operating or capital costs of providing transit service.

Government Funds, State (also called **State Assistance**) is financial assistance obtained from a state government (s) to assist with paying the operating and capital costs of providing transit services.

Government Funds, Local (also called **Local Assistance** or **Local Share**) is financial assistance from local governments (below the state level) to help cover the operating and capital costs of providing transit service. Some local funds are collected in local or regional areas by the state government acting as the collection agency but are considered local assistance because the decision to collect funds is made locally.

Grant Fund is a set of accounting records that tracks grant activity.

Grant Reimbursement is the application of funds to offset the cost of permitted/allowed disbursements.

Guideway (also called **Fixed Guideway**) is capital expense for right-of-way facilities for rail or the exclusive use of buses including the buildings and structures dedicated for the operation of transit vehicles including elevated and subway structures, tunnels, bridges, track and power systems for rail, and paved highway lanes dedicated to bus. Guideway does not include passenger stations and transfer facilities.

Income Auxiliary is revenue from sources aligned with transportation services such as advertising income.

Income Charter is revenue from special engagements and special transportation services (STS).

Income Farebox is revenue collected in scheduled transit operations.

Income Non-Transportation is revenue not aligned with transportation services (i.e.; investment income, leases, sale of assets, etc.).

Indirect Cost is a cost necessary for the functioning of the organization as a whole but which cannot be directly assigned to one service.

Light Rail is a mode of transit service operating passenger rail cars singly (or in short, usually two-car or three-car, trains) on fixed rails in right-of-way that is often separated from other traffic for part or much of the way. Light rail vehicles are typically driven electrically with power being drawn from an overhead electric line via a trolley or a pantograph; driven by an operator on board the vehicle; and may have either high platform loading or low level boarding using steps.

Infrastructure Investment and Jobs Act (IIJA) is a law that was passed reauthorizing surface transportation programs through federal fiscal year (FFY) 2026.

Materials and Supplies are the tangible products obtained from outside suppliers or manufactured internally. These materials and supplies include tires, fuel and lubricants. Freight, purchase discounts, cash discounts, sales and excise taxes (except on fuel and lubricants) are included in the cost of the material or supply.

Mission Statement is the statement provides long-term guidance to the agency's purpose and objectives. The mission statement is the basis of the agency's yearly objectives.

Mode is a system for carrying transit passengers described by specific right-of-way, technology, and operational features. Types of modes include bus, ferry, rail, and paratransit.

Other Miscellaneous Expenses is the sum of travel, leases and rentals, license and registration fees, miscellaneous expenses, and expense transfers.



APPENDIX—GLOSSARY

Operating Budget is a total of all expenses (what it costs to run an organization).

Operating Expenses are expenses defined in support of directly providing service (transportation and maintenance).

Paratransit is a mode of transit service (also called **demand response**) characterized by the use of passenger automobiles, vans or small buses operating in response to calls from passengers or their agents to the transit operator, who then dispatches a vehicle to pick up the passengers and transport them to their destinations. The vehicles do not operate over a fixed route or on a fixed schedule. The vehicle may be dispatched to pick up several passengers at different pick-up points before taking them to their respective destinations and may even be interrupted en route to these destinations to pick up other passengers.

Passenger Fare Revenue is revenue earned from carrying passengers in regularly scheduled and paratransit service. Passenger fares include: the base fare; zone premiums; express service premiums; extra cost transfers; and quantity purchase discounts applicable to the passenger's ride. Passenger Fare Revenue is listed only for operating revenue sources.

Passenger Miles is the cumulative sum of the distances ridden by each passenger.

Personnel Services is the sum of "Salaries and Wages" and "Fringe Benefits."

Platform Time is the portion of a drivers pay allocated to driving vehicles.

Public Transportation (also called **transit**, **public transit**, or **mass transit**) is transportation by a conveyance that provides regular and continuing general or special transportation to the public, but not including school buses, charter or sightseeing service.

Purchased Transportation is transportation service provided to a public transit agency or governmental unit from a public or private transportation provider based on a written contract. Purchased transportation does not include franchising, licensing operation, management services, cooperative agreements or private conventional bus service.

Revenue Hours are the hours a vehicle spends devoted to the pursuit of earning revenues.

Revenue Service is the operation of a transit vehicle during the period which passengers can board and ride on the vehicle. Revenue service includes the carriage of passengers who do not pay a cash fare for a specific trip as well as those who do pay a cash fare; the meaning of the phrase does not relate specifically to the collection of revenue.

Revenue Vehicle is a vehicle in the transit fleet that is available to operate in revenue service carrying passengers, including spares and vehicles temporarily out of service for routine maintenance and minor repairs. Revenue vehicles do not include service vehicles such as tow trucks, repair vehicles, or automobiles used to transport employees.

Route Deviation is a service provided along a designated route under a flexible schedule with designated stops, that also provides for door-to-door or stop pick-ups at a limited distance off the designated route.

Salaries and Wages are payments to employees for time actually worked.



APPENDIX—GLOSSARY

Scheduled Service is the execution of fixed route service.

Section 5307 The Urbanized Area Formula Funding program (49 U.S.C. 5307) makes federal resources available to urbanized areas and to governors for transit capital and operating assistance in urbanized areas and for transportation-related planning. An urbanized area is an incorporated area with a population of 50,000 or more that is designated as such by the U.S. Department of Commerce, Bureau of the Census. Section 5307 Capital Cost of Contract (CCC) is preventative maintenance (PM) on a 3rd party contract. It allows 40% of the contract to be considered for PM. You can thereby get federal reimbursement for 80% of the 40% which calculates to 32%. The federal regulations allow for a maximum of 10% of the 5307 Federal allocation to be used for Americans with Disabilities Act (ADA) complementary paratransit service costs and for those expenditures to be considered capital.

Section 5337 The State of Good Repair (SGR) Grants Program (49 U.S.C. 5337) provides capital assistance for maintenance, replacement, and rehabilitation projects of high-intensity fixed guideway and bus systems to help transit agencies maintain assets in a state of good repair. Additionally, SGR grants are eligible for developing and implementing Transit Asset Management plans.

Self Insurance Fund is a fund set aside for the purpose handling future casualty claims.

Service Level is the amount of hours and miles provided in order to serve the patrons.

Services include the labor and other work provided by outside organizations for fees and related expenses. Services include management service fees, advertising fees, professional and technical services, temporary help, contract maintenance services, custodial services and security services.

Transfer Center is a designated space at the intersection of routes that makes changing routes/modes more convenient.

Transit Agency (also called **transit system**) is an entity (public or private) responsible for administering and managing transit activities and services. Transit agencies can directly operate transit service or contract out for all or part of the total transit service provided. When responsibility is with a public entity, it is a **public transit agency**. When more than one mode of service is operated, it is a **multimodal transit agency**.

Unlinked Passenger Trips is the number of times passengers board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination and regardless of whether they pay a fare, use a pass or transfer, ride for free, or pay in some other way. Also called boardings.

Utilities include the payments made to various utilities for utilization of their resources (e.g., electric, gas, water, telephone, etc.). Utilities include propulsion power purchased from an outside utility company and used for propelling electrically driven vehicles, and other utilities such as electrical power for purposes other than for electrically driven vehicles, water and sewer, gas, garbage collection, and telephone.

Vanpool is ridesharing by prearrangement using vans or small buses providing round trip transportation between the participant's prearranged boarding points and a common and regular destination.

VB Wave is a service providing transit at the Virginia Beach oceanfront.

Vehicles Available for Maximum Service (VAMS) are vehicles that a transit agency has available to operate revenue service regardless of the legal relationship through which they are owned, leased, or otherwise controlled by the transit agency.



APPENDIX—GLOSSARY

Vehicle Total Miles are all the miles a vehicle travels from the time it pulls out from its garage to go into revenue service to the time it pulls in from revenue service, including "deadhead" miles without passengers to the starting points of routes or returning to the garage. For conventional scheduled services, it includes both revenue miles and deadhead miles.

Vehicle Revenue Miles are the miles traveled when the vehicle is in revenue service (i.e., the time when a vehicle is available to the general public and there is an expectation of carrying passengers). Revenue service excludes charter service.


Vehicle Total Hours are the hours a vehicle travels from the time it pulls out from its garage to go into revenue service to the time it pulls in from revenue service, including "deadhead" miles without passengers to the starting points of routes or returning to the garage. For conventional scheduled services, it includes both revenue time and deadhead time.

Vehicle Revenue Hours are the hours traveled when the vehicle is in revenue service (i.e., the time when a vehicle is available to the general public and there is an expectation of carrying passengers). Revenue service excludes charter service.

APPENDIX—ACRONYMS

ACC	Advanced Capital Contributions	HOV	High Occupancy Vehicle
ACS	Advanced Communications System	HRPDC	Hampton Roads Planning District Commission
ADA	American with Disabilities Act	HRRTF	Hampton Roads Regional Transit Fund
APS	Automatic Passenger Counters	HRT	Hampton Roads Transit (trade name for TDCHR)
AVL	Automatic Vehicle Location	HRTAC	Hampton Roads Transportation Accountability Commission
BRT	Bus Rapid Transit	IFB	Invitation for Bids
CAD	Computer Aided Dispatch	IIJA	Infrastructure Investment and Jobs Act
CBU	Collective Bargaining Unit	IM	Information Management
CCC	Capital Cost of Contract	IT	Information Technology
CDL	Commercial Drivers License	ITS	Intelligent Transportation Systems
CEO	Chief Executive Officer	ITSO	Information Technology Security Office
CFO	Chief Financial Officer	LRT	Light Rail Transit
CIO/CTO	Chief Information Officer/Chief Technology Officer	LRV	Light Rail Vehicle
CIP	Capital Improvement Program	MAX	Metro Area Express
CMAQ	Congestion Mitigation and Air Quality Improvement Program	MSA	Metropolitan Statistical Area
CRTC	Citizens Rapid Transit Corporation of Newport News (predecessor organization)	NTD	National Transit Database
DBE	Disadvantaged Business Enterprise	OD	Origin-Destination
DEIS	Draft Environmental Impact Statement	OBFA	Office of Budget & Financial Analysis
DRPT	Virginia Department of Rail and Public Transportation	OPM	Office of Project Management
EEO	Equal Employment Opportunity	OPPE	Office of Program and Project Excellence
EIS	Environmental Impact Statement	PENTRAN	Peninsula Transit (predecessor organization)
EMS	Environmental Management and Sustainability	PM	Preventive Maintenance
ERF	Elizabeth River Ferry	PTDC	Peninsula Transportation District Commission (predecessor organization)
ERC	Elizabeth River Crossing	RFP	Request for Proposals
ERP	Enterprise Resource Planning	RSTP	Regional Surface Transportation Program
ETS	Enterprise Technology Solutions	RTS	Regional Transit Services
FHWA	Federal Highway Administration	SET	Senior Executive Team
FIFO	First-in, first-out	SGR	State of Good Repair
FTA	Federal Transit Administration	SP	Service Planning
FY	Fiscal Year	STP	Surface Transportation Program
GASB	Governmental Accounting Standards Board	STS	Special Transportation Service

APPENDIX—ACRONYMS



TDP	Transit Development Plan	USDOT	United States Department of Transportation
TIOS	Technology Infrastructure & Operations Services	VAMS	Vehicles Available for Maximum Services
TMT	Tidewater Metro Transit (predecessor organization)	VB	Virginia Beach
TPD	Tailored Procedure Document	VB Wave	Virginia Beach Wave
TPMO	Technology Project Management Office	VEPCO	Virginia Electric and Power Company (now known as Dominion Energy)
TRT	Tidewater Regional Transit (parent to HRT)	VRA	Virginia Resources Authority
TSP	Transportation Service Plan	VTC	Virginia Transit Company of Norfolk (predecessor organization)
TTDC	Tidewater Transportation District Commission (predecessor organization)	WCCPS	Weldon Cooper Center for Public Service
TTP	Transit Transformation Project	Wi-Fi	Wireless Fidelity
UPWP	Unified Planning Work Program		



Southside Administration/Maintenance Building
509 East 18th St., Norfolk, VA 23504



Northside Administration/Maintenance Building
3400 Victoria Blvd., Hampton, VA 23661



Norfolk Tide Facility
1850 East Brambleton Ave., Norfolk, VA 23504