

July 29, 1982

Chairman Banks and Members
of the Board of Directors
Hillsborough Area Regional
Transit Authority

Dear Chairman Banks and Members of the Board:

As a result of the workshop session held with the Budget Committee of the Board, receipt from the Property Appraiser of the 1982 taxable values, and new information concerning route adjustments, several changes have been made to the Proposed FY83 Budget, submitted on June 24, 1982. A schedule is attached showing the budget as submitted, the impact of the changes, and the revised FY83 budget.

The budget, as revised, assumes a tax levy of .48 mills, the same as last year. It should be noted that if .48 mills is assessed, the Authority will exceed its rolled-back rate of .463 by 3.67%. If the Board chooses to exceed the rolled-back rate, we are required by State law to advertise the percentage of variance and the reason for doing so. The amount of revenue generated by the additional levy is \$151,325, which will be used to accelerate the payoff of the back pension debt and thus save the Authority future dollars that would have gone for interest. Last year the Hillsborough County, School Board, and the City of Plant City all assessed more than their respective roll-back rates. It should also be remembered that the tax roll will probably change before final certification, requiring another adjustment to the budget.

The changes to the FY83 budget are as follows:

- (1) Subsequent to the workshop session, an item which has come about by the continuing changes and adjustments to the routes and schedules is the requirement for five (5) additional driver positions beginning October 1, 1982. Budget impact of salary and fringes is \$81,680.
- (2) At the suggestion of the Budget Committee, an increase from 50% to 70% in the anticipated rate change upcoming September 1, 1982, for health insurance coverage has been made. The group insurance package is out for bid now with bid opening scheduled for August 12, 1982. Budget impact is \$42,954. Actual rates will be inserted prior to final adoption.

- (3) An increase of \$6,000 in the amount shown for bus parts. In preparation of the proposed budget, a typographical error was made in the amount of \$6,000. The easiest "fix" at production time was to reduce this line item to balance the budget.
- (4) An increase of \$1,500 in the non-UMTA funded capital purchases line item from \$1,000 to \$2,500. This account is used to purchase new or replacement items of a capital nature which are not funded under an UMTA capital grant. Most of the items purchased from this account are for the Maintenance Shop.
- (5) The Bearss Avenue Park and Ride lot has been dropped from the FY83 Authority budget. This project has been re-scheduled by the State DOT for construction in 1983 using Interstate Highway funds. Upon its completion, the lot will be turned over to the Authority for operation.
- (6) The reserve for accelerated payback of the Authority's 13(c) back pension obligation is adjusted to reflect the balance of Ad Valorem Tax funds expected to be received in FY83.

With these changes, and except as noted, the proposed FY83 budget should be substantially complete. At the August 19, 1982, Board meeting, a decision must be made as to the proposed millage rate to be sent out with the TRIM notices. The millage rate decided upon at this time may be reduced, but may not be raised without incurring major expense. For this reason, it is my recommendation that the full .5, or .48, mills be used.

Respectfully submitted,



Harry F. Orr
Executive Administrator

HFO/nas

Enclosures

HILLSBOROUGH AREA REGIONAL TRANSIT AUTHORITY
SCHEDULE OF CHANGES TO
FY83 PROPOSED BUDGET

	FY83 PROPOSED BUDGET	CHANGE	AMENDED FY83 BUDGET
<u>Section I: Operating Expenses</u>			
I(a) Direct Labor			
I(a)(1) Operations	\$ 2,655,191	\$ 56,060	\$ 2,711,251
(2) Maintenance	660,449	-0-	660,449
(3) Administration & Marketing	358,374	-0-	358,374
Total Direct Labor	<u>\$ 3,674,014</u>	<u>\$ 56,060</u>	<u>\$ 3,730,074</u>
I(b) Fringe Benefits			
I(b)(1) FICA	\$ 255,764	\$ 4,091	\$ 259,855
(2) Pension	453,530	6,675	460,205
(3) Medical Insurance	322,078	49,679	371,757
(4) Life Insurance	20,729	300	21,029
(5) A D & D Insurance	2,131	30	2,161
(6) Unemployment Compensation	20,000	-0-	20,000
(7) Worker's Compensation	145,546	2,155	147,701
(8) Sick Leave	80,900	1,250	82,150
(9) Holiday Pay	161,800	2,500	164,300
(10) Vacation Pay	121,400	1,250	122,650
(11) Other Paid Absence	8,000	-0-	8,000
(12) Uniforms	48,457	644	49,101
(13) Service Awards & Other Fringes	43,450	-0-	43,450
Total Fringe Benefits	<u>\$ 1,683,785</u>	<u>\$ 68,574</u>	<u>\$ 1,752,359</u>
Total Direct Labor and Fringe Benefits	<u>\$ 5,357,799</u>	<u>\$ 124,634</u>	<u>\$ 5,482,433</u>
I(c) Services			
I(c)(1) Professional Services	\$ 98,650	\$ -0-	\$ 98,650
(2) Contract Maintenance	32,894	-0-	32,894
(3) Other Services	63,341	-0-	63,341
Total Services	<u>\$ 194,885</u>	<u>\$ -0-</u>	<u>\$ 194,885</u>
I(d) Materials and Supplies			
I(d)(1) Fuel & Lubricants	\$ 1,935,973	\$ -0-	\$ 1,935,973
(2) Tires & Tubes	91,004	-0-	91,004
(3) Bus Parts & Maintenance Supplies	475,320	6,000	481,320

	<u>FY83 PROPOSED BUDGET</u>	<u>CHANGE</u>	<u>AMENDED FY83 BUDGET</u>
(4) Office & Other Supplies	\$ 74,769	\$ -0-	\$ 74,769
Total Materials & Supplies	<u>\$ 2,577,066</u>	<u>\$ 6,000</u>	<u>\$ 2,583,066</u>
 I(e) Overhead Expenses			
I(e)(1) Utilities	\$ 64,550	-0-	\$ 64,550
(2) Casualty & Liability Costs	268,492	-0-	268,492
(3) Taxes	74,306	-0-	74,306
(4) Miscellaneous Expense	232,230	-0-	232,230
(5) Interest on Short Term Debt	-0-	-0-	-0-
(6) Leases & Rentals	10,850	-0-	10,850
(7) UMTA Ineligibles	<u>90,361</u>	<u>1,500</u>	<u>91,861</u>
Total Overhead	<u>\$ 740,789</u>	<u>\$ 1,500</u>	<u>\$ 742,289</u>
Total Non-Labor	<u>\$ 3,512,740</u>	<u>\$ 7,500</u>	<u>\$ 3,520,240</u>
Total Operating Expenses	<u>\$ 8,870,539</u>	<u>\$ 132,134</u>	<u>\$ 9,002,673</u>

Section II: Capital Grants

II(a) 30 Bus Grant	\$ 5,574,500	\$ -0-	\$ 5,574,500
(b) Amended Garage Grant	1,875,000	257,320	2,132,320
(c) Bearss Ave. Park & Ride Lot	<u>665,000</u>	<u>(665,000)</u>	<u>-0-</u>
Total Capital Grants	<u>\$ 8,114,500</u>	<u>\$ (407,680)</u>	<u>\$ 7,706,820</u>

Section III: Budgeted Reserves

III(a) Reserve for FY84 Capital	\$ 580,000	\$ -0-	\$ 580,000
(b) Reserve for unfunded sick leave liability	73,955	-0-	73,955
(c) Reserve for 13(c) back pension accelerated payback	<u>334,798</u>	<u>(334,798)</u>	<u>-0-</u>
Total Budgeted Reserves	<u>\$ 988,753</u>	<u>\$ (334,798)</u>	<u>\$ 653,955</u>
Grand Total Expenses	<u>\$17,973,792</u>	<u>\$ (610,344)</u>	<u>\$17,363,448</u>

Section IV: Operating Revenues

IV(a) Passenger Fares	\$ 2,689,095	\$ -0-	\$ 2,689,095
(b) Charter Service	155,000	-0-	155,000

	<u>FY83 PROPOSED BUDGET</u>	<u>CHANGE</u>	<u>AMENDED FY83 BUDGET</u>
(c) Advertising	\$ 4,000	-0-	\$ 4,000
(d) Non-Transportation	256,900	-0-	256,900
(e) Ad Valorem (Operating)	2,889,453	66,817	2,956,270
(f) State & Federal Assistance	<u>2,876,091</u>	<u>65,317</u>	<u>2,941,408</u>
Total Operating Revenue	<u>\$ 8,870,539</u>	<u>\$ 132,134</u>	<u>\$ 9,002,673</u>

Section V: Capital Revenues

V(a) UMTA	\$ 6,624,600	\$ (459,144)	\$ 6,165,456
(b) State DOT	744,950	25,732	770,682
(c) HART FY82 Ad Valorem	-0-	-0-	-0-
(d) HART FY82 Capital Reserve	420,771	-0-	420,771
(e) HART FY83 Ad Valorem	<u>324,179</u>	<u>25,732</u>	<u>349,911</u>
Total Capital Revenue	<u>\$ 8,114,500</u>	<u>\$ (407,680)</u>	<u>\$ 7,706,820</u>

Section VI: Reserve Revenue

VI(a) Reserve for FY84 Capital	\$ 580,000	\$ -0-	\$ 580,000
(b) Reserve for unfunded sick leave	73,955	-0-	73,955
(c) Accelerated 13(c) Back Pension	<u>334,798</u>	<u>(334,798)</u>	<u>-0-</u>
Total Reserve Revenue (from ad valorem)	<u>\$ 988,753</u>	<u>\$ (334,798)</u>	<u>\$ 653,955</u>
Grand Total Revenues	<u>\$17,973,792</u>	<u>\$ (610,344)</u>	<u>\$ 17,363,448</u>

FISCAL YEAR 1983
AD VALOREM PROCEEDS - BUDGETED USAGE
BASED ON CERTIFIED TAX ROLL

Amount estimated to be available from a .445 mill levy	\$3,960,136
Capital Reserve from FY82	<u>420,771</u>
Total Available	<u>\$4,380,907</u>

Budgeted Use:

Local Share Operating Costs	\$2,956,270
10% Share on UMTA Capital Grants:	
30 Bus Grant	557,450
Amended Garage Grant	213,232
Budgeted Reserves:	
FY84 Capital - 10% Share	580,000
Unfunded Sick Leave Accrual	73,955
Total Usage	<u>\$4,380,907</u>

September 17, 1982

Chairman Banks and Members
of the Board of Directors
Hillsborough Area Regional
Transit Authority

Dear Chairman Banks and Members of the Board:

I thought it a good idea to write to try to clarify and emphasize the reasons for the two (2) upcoming public hearings to be held at 5:30 p.m. on September 24 and 29.

Florida law requires that two (2) public hearings be held to receive citizens' input regarding operating and capital budgets and the assessment of ad valorem tax millage by taxing authorities. Also required is that the hearings be started after 5:00 p.m.

The hearings must be held within a very specific time frame as outlined in the law. HART, as a multi-unit taxing authority may not have its hearings simultaneously with the City of Tampa or Hillsborough County. As a result, the City and County receive first choice of time and place. Once the first date is set by the County and then the City, it is a scramble for the remaining days by the other taxing authorities.

It is imperative that a quorum of the Board be present at each of the scheduled hearings if we are to levy our ad valorem tax millage for FY83. At the September 24, 1982, meeting, the Board must consider public input, if any, adopt a tentative budget and recompute the resulting millage rate.

According to State law we must place a quarter-page notice in the newspaper advertising the millage rate tentatively adopted at the first public hearing. Since there would not have been sufficient time to give the newspaper the information for the ad after the first meeting, it was necessary to assume a millage rate. After discussion with the Chairman, .47 mills was used. This rate must now be adopted at the first meeting, but may be lowered, if desired, at the September 29, meeting. Since this is a Friday night meeting, the agenda will be restricted to the public hearing only.

Chairman Banks and Members
of the Board of Directors
September 17, 1982
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At the September 29, 1982, meeting, the Board must receive public input, adopt a final budget and adopt a final millage. It will also be necessary to hold a regular monthly Board meeting at the completion of the public hearing. There are several pressing items which require Board action.

I hope I have clarified some of the reasons for the inconvenient meeting times.

Sincerely,

Harry F. Orr
Executive Administrator

HFO/nas

September 17, 1982

Chairman Banks and Members of
the Board of Directors
Hillsborough Area Regional
Transit Authority

Dear Chairman Banks and Members of the Board:

Attached hereto is the proposed fiscal year 1983 Operating and Capital Budget for use at the September 24, 1982 public hearing. Shown for comparison is the final projection of the fiscal year 1982 budget.

Under separate cover, I am enclosing an explanation of the changes made to the fiscal year 1983 budget since it was originally presented in June.

As always, should you have any questions, please contact either me or my staff.

Sincerely,

Harry F. Orr
Executive Administrator

HFO/nas

Enclosures

September 17, 1982

Chairman Banks and Members
of the Board of Directors
Hillsborough Area Regional
Transit Authority

Subject: Fiscal Year 1983 Budget

Dear Chairman Banks and Members of the Board:

With the discussion of the Board at the last meeting to use a tentative millage rate of .47 mills for the September 24, 1982 public hearing on the budget and tax levy, and the review and consideration of recent information, attached herewith is an adjusted fiscal year 1983 capital and operating budget. A schedule is attached showing the budget as originally submitted in June, the impact of the proposed changes, including those addressed in my letter of July 29, 1982, and the resulting revised fiscal year 1983 budget.

The changes that have been made to the original budget are as follows:

- (1) After review and consideration of the service changes implemented in June, various modifications have been made in order to enhance service to make it more convenient to more potential riders. The result of these changes is a need for five (5) more bus operator positions. The budget impact of these drivers is \$80,887 in salary and fringes.
- (2) With the addition of the forty (40) new buses it became necessary to increase the amount of maintenance work done on the night shift and on weekends. In order to provide proper mechanical supervision, we find it necessary to add one (1) new position; Lead Mechanic. Also, in order to provide our night fueling, cleaning, and servicing function with better supervision, we wish to re-classify a Fuel and Service Crew Leader position to a Fuel and Service Crew Supervisor. This change will upgrade this critically important supervisory position and remove it from the Union's bargaining unit. The budget impact of the changes is \$24,053 in salary and fringes.

Chairman Banks and Members
of the Board of Directors
September 17, 1982
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- (3) The bid awarded at the last meeting for the Authority's group insurance resulted in a net budget decrease of \$18,548.
- (4) The appropriation for bus parts has been increased by \$6,000 to correct a typographical error made in the original budget.
- (5) \$1,500 was added to the non-UMTA funded capital purchases line item increasing it to \$2,500. This account is used to purchase new or replacement items of a capital nature which are not funded under an UMTA capital grant.
- (6) The Bearss Avenue Park and Ride lot has been dropped from the FY83 Authority budget. This project has been re-scheduled by the State DOT for construction in 1983 using Interstate Highway funds. Upon its completion, the lot will be turned over to the Authority for operation.
- (7) The reserve for accelerated payback of the Authority's 13(c) back pension obligation is adjusted to reflect the balance of Ad Valorem Tax funds expected to be received in FY83. This line item will be adjusted by the amount, if any, that the Board adjusts the Ad Valorem Tax rate.
- (8) The investment income line has been reduced to reflect the current downswing in interest rates.

With these changes, the budget as presented incorporates the anticipated needs of the Authority for fiscal year 1983. Should you have any questions regarding the budget, please feel free to contact me or my staff.

Respectfully submitted,

Harry F. Orr
Executive Administrator

HFO/nas

Enclosure

HILLSBOROUGH AREA REGIONAL TRANSIT AUTHORITY
 SCHEDULE OF CHANGES TO
 FY83 PROPOSED BUDGET

	<u>FY83 PROPOSED BUDGET</u>	<u>CHANGES</u>	<u>FY83 BUDGET 8/30/82</u>
<u>SECTION I: OPERATING EXPENSES</u>			
I(a) Direct Labor			
I(a)(1) Operations	\$ 2,655,191	\$ 56,060	\$ 2,711,251
(2) Maintenance	660,449	16,146	676,595
(3) Administration & Marketing	358,374	-0-	358,374
Total Direct Labor	<u>\$ 3,674,014</u>	<u>\$ 72,206</u>	<u>\$ 3,746,220</u>
I(b) Fringe Benefits			
I(b)(1) FICA	\$ 255,764	\$ 5,293	\$ 261,057
(2) Pension	453,530	8,636	462,166
(3) Medical Insurance	322,078	(11,551)	310,527
(4) Life Insurance	20,729	848	21,577
(5) A D & D Insurance	2,131	478	2,609
(6) Unemployment Compensation	20,000	-0-	20,000
(7) Worker's Compensation	145,546	3,303	148,849
(8) Sick Leave	80,900	1,595	82,495
(9) Holiday Pay	161,800	3,259	165,059
(10) Vacation Pay	121,400	1,940	123,340
(11) Other Paid Absence	8,000	-0-	8,000
(12) Uniforms	48,457	878	49,335
(13) Service Awards & Other Fringes	43,450	300	43,750
Total Fringe Benefits	<u>\$ 1,683,785</u>	<u>\$ 14,979</u>	<u>\$ 1,698,764</u>
Total Direct Labor & Fringes	<u>\$ 5,357,799</u>	<u>\$ 87,185</u>	<u>\$ 5,444,984</u>
I(c) Services			
I(c)(1) Professional Services	\$ 98,650	\$ -0-	\$ 98,650
(2) Contract Maintenance	32,894	-0-	32,894
(3) Other Services	63,341	-0-	63,341
Total Services	<u>\$ 194,885</u>	<u>\$ -0-</u>	<u>\$ 194,885</u>

	<u>FY83 PROPOSED BUDGET</u>	<u>CHANGES</u>	<u>FY83 BUDGET 8/30/82</u>
I(d) Materials & Supplies			
I(d)(1) Fuel & Lubricants	\$ 1,935,973	\$ -0-	\$ 1,935,973
(2) Tires & Tubes	91,004	-0-	91,004
(3) Bus Parts & Maintenance Supplies	475,320	6,000	481,320
(4) Office & Other Supplies	<u>74,769</u>	<u>-0-</u>	<u>74,769</u>
Total Materials & Supplies	<u>\$ 2,577,066</u>	<u>\$ 6,000</u>	<u>\$ 2,583,066</u>
I(e) Overhead Expenses			
I(e)(1) Utilities	\$ 64,550	\$ -0-	\$ 64,550
(2) Casualty & Liability Costs	268,492	-0-	268,492
(3) Taxes	74,306	-0-	74,306
(4) Miscellaneous Expense	232,230	-0-	232,230
(5) Interest on Short Term Debt	-0-	-0-	-0-
(6) Leases & Rentals	10,850		10,850
(7) UMTA Ineligibles	<u>90,361</u>	<u>1,500</u>	<u>91,861</u>
Total Overhead	<u>\$ 740,789</u>	<u>\$ 1,500</u>	<u>\$ 742,289</u>
Total Non-Labor	<u>\$ 3,512,740</u>	<u>\$ 7,500</u>	<u>\$ 3,520,240</u>
Total Operating Expenses	<u>\$ 8,870,539</u>	<u>\$ 94,685</u>	<u>\$ 8,965,224</u>

SECTION II: CAPITAL GRANTS

II(a) 30 Bus Grant	\$ 5,574,500	\$ -0-	\$ 5,574,500
(b) Amended Garage Grant	1,875,000	257,320	2,132,320
(c) Bearsse Ave. Park & Ride Lot	<u>665,000</u>	<u>(665,000)</u>	<u>-0-</u>
Total Capital Grants	<u>\$ 8,114,500</u>	<u>(407,680)</u>	<u>\$ 7,706,820</u>

SECTION III: BUDGETED RESERVES

III(a) Reserve for FY84 Capital	\$ 580,000	\$ -0-	\$ 580,000
(b) Reserve for Unfunded Sick Leave Liability	73,955	-0-	73,955
(c) Reserve for 13(c) Back Pension Accelerated Payback	<u>334,798</u>	<u>(117,022)</u>	<u>217,776</u>
Total Budgeted Reserves	<u>\$ 988,753</u>	<u>(117,022)</u>	<u>\$ 871,731</u>
Grant Total Expenses	<u>\$17,973,792</u>	<u>(430,017)</u>	<u>\$17,543,775</u>

	<u>FY83 PROPOSED BUDGET</u>	<u>CHANGES</u>	<u>FY83 BUDGET 8/30/82</u>
<u>SECTION IV: OPERATING REVENUES</u>			
IV(a) Passenger Fares	\$ 2,689,095	\$ -0-	\$ 2,689,095
(b) Charter Service	155,000	-0-	155,000
(c) Advertising	4,000	-0-	4,000
(d) Non-Transportation	256,900	(48,000)	208,900
(e) Ad Valorem (Operating)	2,889,453	72,592	2,962,045
(f) State and Federal Assistance	<u>2,876,091</u>	<u>70,093</u>	<u>2,946,184</u>
Total Operating Revenue	<u>\$ 8,870,539</u>	<u>\$ 94,685</u>	<u>\$ 8,965,224</u>
<u>SECTION V: CAPITAL REVENUES</u>			
V(a) UMTA	\$ 6,624,600	\$ (459,144)	\$ 6,165,456
(b) State DOT	744,950	25,732	770,682
(c) HART FY82 Ad Valorem	-0-	-0-	-0-
(d) HART FY82 Capital Reserve	420,771	-0-	420,771
(e) HART FY83 Ad Valorem	<u>324,179</u>	<u>25,732</u>	<u>349,911</u>
Total Capital Revenue	<u>\$ 8,114,500</u>	<u>\$ (407,680)</u>	<u>\$ 7,706,820</u>
<u>SECTION VI: RESERVE REVENUE</u>			
VI(a) Reserve for FY84 Capital	\$ 580,000	\$ -0-	\$ 580,000
(b) Reserve for Unfunded Sick Leave	73,955	-0-	73,955
(c) Accelerated 13(c) Back Pension	<u>334,798</u>	<u>(117,022)</u>	<u>217,776</u>
Total Reserve Revenue (from ad valorem)	<u>\$ 988,753</u>	<u>\$ (117,022)</u>	<u>\$ 871,731</u>
Grant Total Revenues	<u>\$17,973,792</u>	<u>\$ (430,017)</u>	<u>\$17,543,775</u>

FISCAL YEAR 1983
AD VALOREM PROCEEDS - BUDGETED USAGE
BASED ON CERTIFIED TAX ROLL
AUGUST 30, 1982

Amount estimated to be available from a .47 mill levy	\$4,183,687
Capital reserve from FY82	<u>420,771</u>
Total Available	<u>\$4,604,458</u>
Budgeted Use:	
Local Share Operating Costs	\$2,962,045
10% Share on UMTA Capital Grants:	
30 Bus Grant	557,450
Amended Garage Grant	213,232
Budgeted Reserves:	
FY84 Capital - 10% Share	580,000
Unfunded Sick Leave Accrual	73,955
Accelerated 13(c) Back Pension Payback	<u>217,776</u>
	<u>\$4,604,458</u>