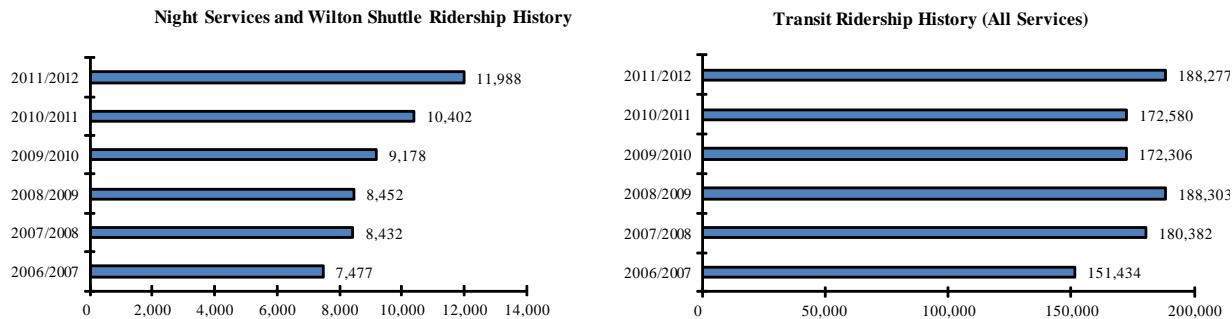
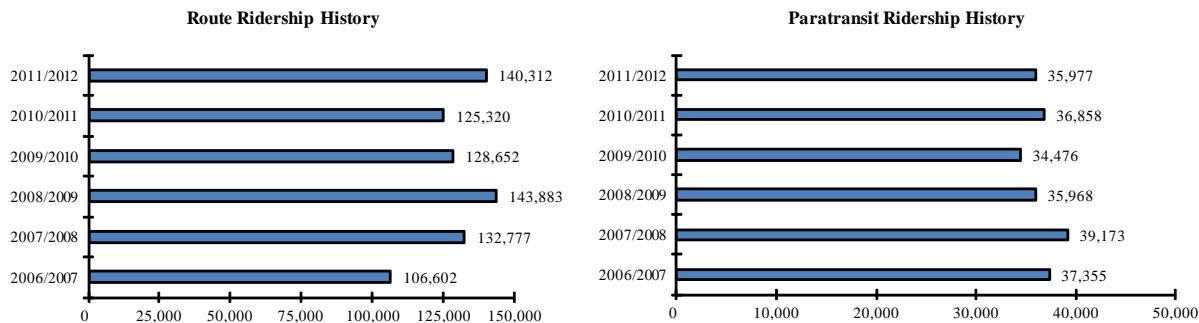


TRANSIT SYSTEM

GENERAL INFORMATION:

The City Transit System operates with eleven (11) small buses, all equipped with wheelchair lifts. Personnel supporting the transit system are a full-time Transit Supervisor, two (2) part-time dispatchers, 21 part-time drivers, and one part-time vehicle service worker. The system currently consists of three (3) fixed routes for the general public, a paratransit system for senior citizens and the disabled, an evening service for individuals to travel to employment and employment-related destinations, an evening service two nights a week primarily for the disabled, and a shuttle service between Muscatine and Wilton. Since 2007 there has been a fourth fixed route for 4 hours each weekday during peak travel times. Appointed by the City Council, the Transportation Advisory Commission assists the Council and Transit Supervisor in establishing operating policies and procedures for the system.

The breakdown of the ridership for the system since 2006/2007 on a fiscal year basis is as follows:



The City receives both Federal and State funding for the transit operation. Federal operating assistance is received annually and for 2013/2014 is estimated to be \$316,100. This amount includes funding for the Job Access and New Freedoms transit services which in previous years were awarded as separate federal funding allocations. Federal capital support has also been used, primarily to purchase buses. The State of Iowa also provides transit funding assistance from a portion of the motor vehicle use tax. These funds are allocated by a formula to the thirty-five (35) public transit systems in the State by the Iowa Department of Transportation, Air and Transit Division. In fiscal year 2013/2014 it is anticipated that the City will receive \$197,000 in public transit support from the State of Iowa.

The State of Iowa allows cities to levy up to \$.95 per \$1,000 of assessed value to support a transportation system. This levy is in addition to the \$8.10 limit imposed on cities for general operating purposes. For fiscal year 2012/2013 the City's transit levy rate was set at \$.40950 per \$1,000 of valuation which will generate \$320,000.

The transit levy rate for 2013/2014 has been increased to \$.47582 per \$1,000 of valuation which will generate \$380,000. This is a 16.2% increase in the transit tax levy rate. The tax rate is higher in 2013/2014 due to a number of factors including (1) increased fuel costs, (2) increased bus maintenance costs, and (3) subject to grant approval, funding for the local share of the cost of two new buses. Replacement of the two buses was originally included in the 2012/2013 budget; however requested grant funding for those buses was not approved. This has contributed to the higher bus maintenance costs as well as the increase in the transit tax levy for 2013/2014.

The Transit Division is located in the Public Works Facility on Washington Street. A transfer point for this operation is located at City Hall.

CURRENT TRENDS AND ISSUES:

The revised estimate expenditures for 2012/2013 are over the original budgeted amount in total by \$4,900. Revised estimate capital outlay expenditures are \$45,200 less than budgeted. Two buses originally budgeted at \$146,100 will not be purchased since the related grant funding was not awarded. The revised estimated, however, includes the addition of \$107,500 for diesel emission reduction equipment to be installed on the City's current diesel buses. This equipment will be 100% grant funded. The allocation of \$6,600 in 2012/2013 for bus route signs has been deferred to 2013/2014. The revised estimate for fuel is \$10,300 higher than budgeted and bus maintenance costs are \$46,000 higher than originally budgeted. A \$5,400 reduction in personal services costs offset a portion of the fuel and maintenance cost increases.

The 2013/2014 budget is \$50,000 (4.3%) more than the original 2012/2013 budget. Significant increases include \$21,000 in vehicle repair and maintenance services, and \$25,300 in capital outlay. The capital outlay allocation includes \$176,000 for the purchase of two new transit vehicles and \$2,000 to replace 100 bus route signs. The bus purchases are subject to the receipt of federal grant funding currently estimated at \$149,600 (85% of the cost of the vehicles). The local share of the buses is estimated at \$26,400.

As noted previously, the transit tax levy has been increased by \$60,000 to fund the transit operation in 2013/2014. In prior years there was a balance in the Transit fund which allowed for the Transit levy to be lowered if needed to keep the City's overall tax rate at a reasonable level. This balance, however, is nearly depleted and with increased fuel and bus maintenance costs, and the need to replace several of the older vehicles, the Transit levy is budgeted to increase by \$60,000 for the upcoming year. The budget includes discontinuation of the Wilton shuttle service. Without this change, the tax levy would have needed to be at least \$6,500 higher.

The Transit budget is balanced for 2013/2014 with revenues (including the increased transit levy proceeds) at approximately the same level as expenditures. The budget shows an ending balance of \$18,310 as of June 30, 2014. This ending balance will be needed if there are further increases in fuel or bus maintenance costs or if the transit grant funding is less than currently estimated. Staff will continue to closely monitor transit grant funding as well as fuel, maintenance, and other transit operating costs.

GOAL STATEMENT:

To provide an opportunity to all citizens for safe and efficient public transportation with special services provided for senior citizens and handicapped residents

PERFORMANCE MEASURES:

	Actual 2009/2010	Actual 2010/2011	Actual 2011/2012	Estimated 2012/2013	Estimated 2013/2014
Buses Used and Maintained	11	11	11	11	11
Fixed Bus Routes (Weekdays)	3 (4 for 4 hrs of day)	3 (4 for 4 hrs the day)	3 (4 for 4 hrs the day, M-F)	3 (4 for 4 hrs the day)	3 (4 for 4 hrs the day)
Fixed Bus Routes (Saturdays)	2	2	2	2	2
Fixed Route Passengers	128,652	125,320	140,312	140,500	141,000
Paratransit Passengers	34,476	36,858	35,977	36,000	36,000
JARC for Work (Night Service)	6,145	5,521	6,507	6,500	6,700
New Freedoms (Night Service)	1,227	1,604	1,436	1,435	1,500
Muscatine/Wilton Shuttle	1,806	3,277	4,045	4,050	0 *
Total Passengers	172,306	172,580	188,277	188,485	185,200

* The Muscatine/Wilton Shuttle service is budgeted to be eliminated in 2013/2014.

RECENT ACCOMPLISHMENTS:

MuscaBus experienced a 15,697 increase in rides provided during fiscal year 2011/2012. Providing 188,277 rides is a return to the level of ridership last experienced during fiscal year 2008/2009. The majority of the increase was the 14,992 increase in route ridership. This is especially welcome since route rides are the least expensive rides provided by the Transit system.

The Fixed Route and Paratransit services continue to operate from 6:30 a.m. to 5:00 p.m., Monday through Friday and from 8:30 a.m. to 4:00 p.m. on Saturdays. ParaTransit service offers curb to curb service for individuals who cannot access the route bus due to disability.

The JARC (Job Access Reverse Commute) service operates Monday through Friday from 5:30 p.m. to 12:00 a.m. This service was established to provide transportation services to access employment opportunities, education and support services, including childcare for the passenger's children. New Freedoms operates on Tuesday and Thursday evenings from 5:30 p.m. to 9:30 p.m. This service accommodates transportation requests within the Muscatine city limits for any purpose, to offer "New Freedoms". MuscaBus also currently operates a twice daily route to/from Wilton, Monday through Friday. As previously noted, the Wilton shuttle route will be eliminated beginning in 2013/2014.

The City Council approved a fare increase in August, 2012 for the Wilton shuttle. The fare is now \$2.00 per ride for the Wilton shuttle. Route rides are \$.75 each. JARC, New Freedoms, and ParaTransit rides are \$1.00 each. Passengers can purchase sheets of tickets or a monthly route pass to realize a savings in these rates.

The MuscaBus team is comprised of two ¾ time dispatchers, 21 part-time drivers, 1 part-time service person and 1 full time Transit Supervisor. This team drove an accident free 282,257 revenue miles in 2011/2012 and operated 20,644 hours.

The Transit system is funded by a variety of federal, state, and local dollars. In 2011/2012 the Transit system received Federal Transit Assistance, State Transit Assistance, Job Access Grant (JARC), New Freedoms, and ICAAP grants. These grants are applied for annually by the Transit Supervisor.

Additionally in 2012, the Transit Supervisor, Vehicle Maintenance Supervisor, and Director of Community Development worked with the State of Iowa Department of Natural Resources to obtain funding for purchase and installation of diesel emissions reduction equipment for buses and other municipal vehicles. The city was awarded \$123,564 to install this equipment in 2013. Eight of the 11 transit vehicles and five street department dump trucks will be fitted with equipment to reduce the diesel emission particulate matter. This grant is funded at 100% with no local match requirement.

OBJECTIVES TO BE ACCOMPLISHED 2013/2014:

- * To adopt and implement “Lean” concepts and practices in the transit operation. (**Management Agenda High Priority**)
- * To continually evaluate service routes to assure the greatest level of service to the citizens of Muscatine.
- * To review the current staff pay structure and compare it to comparable transit systems in Iowa.
- * To continue to offer unsurpassed customer service to passengers.

Transit System

Fund Statement

	<u>Actual 2010/2011</u>	<u>Actual 2011/2012</u>	<u>Budget 2012/2013</u>	<u>Revised Estimate 2012/2013</u>	<u>Budget 2013/2014</u>
Beginning Balance, July 1	\$ 143,507	\$ 86,329	\$ 51,629	\$ 91,210	\$ 17,810
Revenues	<u>877,209</u> (2)	<u>1,003,032</u> (3)	<u>1,119,800</u>	<u>1,100,200</u> (4)	<u>1,219,200</u> (5)
Funds Available	\$ 1,020,716	\$ 1,089,361	\$ 1,171,429	\$ 1,191,410	\$ 1,237,010
Expenditures (1)	<u>934,387</u>	<u>998,151</u>	<u>1,168,700</u>	<u>1,173,600</u>	<u>1,218,700</u>
Ending Balance, June 30	<u><u>\$ 86,329</u></u>	<u><u>\$ 91,210</u></u>	<u><u>\$ 2,729</u></u>	<u><u>\$ 17,810</u></u>	<u><u>\$ 18,310</u></u>

Increase (Decrease) in Fund Balance	\$ (57,178)	\$ 4,881	\$ (48,900)	\$ (73,400)	\$ 500
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1. Expenditures include changes in compensated absences and other post-employment benefits.
2. The 2010/2011 revenues included \$180,000 from the Transit tax levy. This was a reduction of \$50,000 from the previous levy of \$230,000. This reduction resulted in the use of available fund balance during the year and was done in part to keep the overall City tax rate increase to 1.4%.
3. In 2011/2012 the Transit tax levy increased to \$300,000 (from \$180,000).
4. The 2012/2013 Transit levy was increased to \$320,000 to maintain a positive balance in this fund. This levy also included \$24,900 in funding for the local share of the cost for two new transit vehicles which will not be purchased in 2012/2013.
5. The Transit Tax levy for 2013/2014 of \$380,000 is based on increased bus maintenance and operating costs and also includes funding for the local share of two new bus purchases (\$26,400).

Explanation of Decrease in Fund Balance:

The balance in this fund has been fluctuating primarily due to capital purchases, primarily transit buses, and bus maintenance costs. The City has also varied the Transit tax levy when needed to minimize changes in the City's total overall tax rate.

Transit System

Summary of Revenues

	<u>Actual</u> <u>2010/2011</u>	<u>Actual</u> <u>2011/2012</u>	<u>Budget</u> <u>2012/2013</u>	<u>Revised</u> <u>Estimate</u> <u>2012/2013</u>	<u>Budget</u> <u>2013/2014</u>
Transit Charges	\$ 168,175	\$ 176,542	\$ 169,000	\$ 175,000	\$ 171,000 (6)
Transit Grants					
Operating Subsidies:					
Federal Operating Grant	\$ 274,847	\$ 260,771	\$ 249,900	\$ 255,000	\$ 316,100 (5)
Federal Job Access Grant	37,728	43,585	42,000	44,100	0 (5)
New Freedoms Grant	7,614	7,419	9,000	9,000	0 (5)
State Vehicle Use Tax	170,154	170,167	161,400	163,400	197,000
ICAAP Grant	35,641	34,668	37,000	25,700	0
Diesel Emissions Reduction Grant	0	0	0	107,500	0
Other Operating Grants	1,998	717	1,500	0	0
Capital Grants:					
Federal Funds for Equipment	0	1,557	0	0	0
State Funds for Equipment	0	5,600	3,700	0	0
Federal Funds - Buses	0	0	121,200	0	149,600
Subtotal - Grants	<u>\$ 527,982</u>	<u>\$ 524,484</u>	<u>\$ 625,700</u>	<u>\$ 604,700</u>	<u>\$ 662,700</u>
General Fund Support:					
Transit Tax Levy	180,141 (1)	301,472 (2)	320,000	320,000 (3)	380,000 (4)
Sale of Vehicles	57	101	5,000	0	5,000
Interest	83	21	100	100	100
Donations	771	410	0	400	400
Other	0	2	0	0	0
Total Revenues	<u>\$ 877,209</u>	<u>\$ 1,003,032</u>	<u>\$ 1,119,800</u>	<u>\$ 1,100,200</u>	<u>\$ 1,219,200</u>

1. The 2010/2011 revenues included \$180,000 from the Transit tax levy. This was a reduction of \$50,000 from the previous levy of \$230,000. This reduction resulted in the use of available fund balance during the year and was done in part to keep the overall City tax rate increase at 1.4%.
2. FY 2011/2012 revenues reflected an increase in the Transit tax levy to \$300,000 (from \$180,000).
3. The 2012/2013 Transit levy was increased to \$320,000 to maintain a positive balance in this fund. This levy also included \$24,900 in funding for the local share of the cost for two new transit vehicles which will not be purchased in 2012/2013.
4. The Transit Tax levy for 2013/2014 of \$380,000 is based on increased bus maintenance and operating costs and also includes funding for the local share of two new bus purchases (\$26,400).
5. Beginning in 2013/2014 the Federal Operating Grant will include federal funding for special types of services by the Transit System. This includes funding for the special evening services provided through the current Job Access and New Freedoms grants.
6. With the elimination of the Wilton shuttle service in 2013/2014, Transit fees are estimated to decrease by \$4,000.

Function:
Business Type

Department:
Public Works

Activity:
Transit System

	Actual 2010/2011	Actual 2011/2012	Budget 2012/2013	Revised Estimate 2012/2013	Budget 2013/2014	Percent Change
Expenditure Summary						
Personal Services	\$ 627,254	\$ 652,390	\$ 683,300	\$ 677,900	\$ 685,600	0.34%
Commodities	106,572	129,818	128,800	138,800	128,500	-0.23%
Contractual Services	178,094	190,429	187,300	232,800	209,500	11.85%
Capital Outlay	3,409	9,389	152,700	107,500	178,000	0.00%
Transfers	15,600	16,100	16,600	16,600	17,100	3.01%
Total Expenditures	\$ 930,929	\$ 998,126	\$ 1,168,700	\$ 1,173,600	\$ 1,218,700	4.28%
Funding Sources						
Transit Charges	\$ 168,175	\$ 176,542	\$ 169,000	\$ 175,000	\$ 171,000	1.18%
Transit Grants	527,982	524,484	625,700	604,700	662,700	5.91%
Transit Tax Levy	180,141	301,472	320,000	320,000	380,000	18.75%
Sale of Vehicles	57	101	5,000	-	5,000	0.00%
Interest	83	21	100	100	100	0.00%
Donations	771	410	-	400	400	
Other	-	2	-	-	-	
Total Funding Sources	\$ 877,209	\$ 1,003,032	\$ 1,119,800	\$ 1,100,200	\$ 1,219,200	8.88%

	Personnel Schedule					
	Actual 2010/2011	Actual 2011/2012	Budget 2012/2013	Revised Estimate 2012/2013	Budget 2013/2014	Budget Amount 2013/2014
Full Time Positions/Position Allocations:						
Transit Supervisor	1.00	1.00	1.00	1.00	1.00	
Maintenance Worker II	0.20	0.20	0.20	0.20	0.20	
Total Full Time	1.20	1.20	1.20	1.20	1.20	
Part Time Positions:						
Transit Driver	11.23	11.19	11.26	11.50	10.94	
Transportation Dispatch Coordinator	0.88	0.89	0.89	0.80	0.70	
Transit Dispatcher	0.89	1.20	0.88	0.65	0.84	
Transportation Serviceperson	0.60	0.61	0.63	0.61	0.63	
Total Part Time	13.60	13.89	13.66	13.56	13.11	
Total	14.80	15.09	14.86	14.76	14.31	\$ 548,400
Employee Benefits						137,200
Total Personal Services						\$ 685,600

	Capital Outlay			
Item		Quantity	Replacement	Amount
Light Duty Buses		2	Yes	\$ 176,000
Route Signs		100	Yes	2,000
				\$ 178,000