Cape Fear Public Transportation Authority

Fiscal Year 2012
Operating Budget

May 2012

Introduction

The following is an overview of the operating expenses for the Cape Fear Public Transportation Authority (Wave Transit) for the Authority's fiscal year 2011-2012. The fiscal year encompasses the period from July 01, 2011 through and including June 30, 2012. Overall expenditures are expected to decline by .019% from FY 11 to FY 12. As revenues remain flat, the Authority remains vulnerable to short term cash issues due to a relatively small fund balance of less than 9% of the operating budget. Fund balance also is expected to provide cash for capital expenses for which the authority has no capital reserve fund. Additionally, cash flow is impacted by slow reimbursements from a small number of funding partners which represent a significant amount of revenue.

The information contained in this document is the most comprehensive budget document prepared by the Authority to date. As the budget process continues to evolve, the Authority is dedicated to improving this effort to increase transparency to the taxpayers of New Hanover County. We welcome and encourage comments to this document which can be addressed to the following:

Cape Fear Public Transportation Authority - or - aeby@wavetransit.com
P. O. Box 12630
Wilmington, NC 28405-0130

Thank you for taking the time to review this information and become familiar with how public transportation subsidies are spent in the region. Additional information about the Authority is available at www.wavetransit.com.

Authority Members & Staff

The Cape Fear Public Transportation Authority is governed by eleven members appointed by the Wilmington City Council and the New Hanover County Commissioners. The Authority employs a staff of over 125 direct and contract employees led by a senior staff of four directors.

Authority Members

Honorable Kristi Campos
Wilmington City Council

Honorable Jonathan Barfield, Jr.
New Hanover County Commissioners

Don Betz
Chairman

George Dolan
Vice Chairman

Andrew Koeppel
Secretary

Linda Pearce
Human Service Representative

Henry "Hank" Adams

Euran Daniels

Julius "Chris" Hawkins

Jeffrey B. Petroff, PE

CAPT David R. Scheu USN (Ret.)

Staff

Albert Eby
Executive Director

Arthur T. Cottrill, CPA
Director of Finance & Administration

Matthew Kunic
Director of Planning & Development

Jean M. Smith
Director of Operations

MISSION STATEMENT AND GOALS

The mission of the Cape Fear Public Transportation Authority (Wave Transit) is to develop and maintain an effective, efficient, and safe system of public transportation services within Southeastern North Carolina which is responsive to the mobility needs of the community. Transportation services provided shall be designed to maintain and encourage the use of public transportation and shall contribute to the economic vitality of the community, the conservation of natural resources and the protection of the environment. The goals of Wave Transit are as follows:

1. Provide cost effective transportation services which optimize the utilization of personnel, vehicles, and other resources and which are operated with a minimum of public subsidy.

2. Provide transportation services which meet the mobility needs of the community, within available financial resources.

3. Develop funding options which assure the continued stable operation of transportation services at a public subsidy level acceptable to the community.

4. Develop policies which assure, as much as possible, that transit services are designed and operated to encourage maximum utilization by the community. Service should be provided first in areas where the greatest potential for use exists.

5. Promote the use of public transportation services within the community. This includes both providing adequate and up-to-date information on services available and aggressively marketing the transit system.

6. Expand public transportation to new areas of the community as demand estimates and population densities indicate that service will be sufficiently utilized within established service standards.

The Goals of the Cape Fear Public Transportation Authority will be reviewed and revised, as needed, during the budget development process. These goals and objectives will guide the development of capital and operating budgets, service planning, and operation of transit services.

Adopted: June 09, 2005

Cape Fear Public Transportation Authority
P.O. Box 12630 · Wilmington, NC 28405 · (910) 343-0106 · (910) 343-8317 fax · wavetransit.com

June 7, 2011

Members of the Cape Fear Public Transportation Authority
P. O. Box 12630
Wilmington, NC 28405-0130

Dear Members of the Authority:

Pursuant to Section 159-11 of the North Carolina General Statues, it is my pleasure as budget officer to present to you the Fiscal Year 2011-2012 operating budget for the Cape Fear Public Transportation Authority. As required by state statute, a public hearing was held on the proposed budget at a regular meeting of the authority on May 26, 2011. Notice of the public hearing was published in the Star News on May 20, 2011.

Local governments are facing extremely difficult circumstances when faced with the challenge of adopting a balanced budget. Decreasing revenues from the North Carolina Department of Transportation coupled with no increases from local funding partners have stretched the resources of the authority. On the expense side, a 46% rise in fuel prices coupled with rapidly increasing health insurance and labor costs as well as increased costs relating to high energy prices have challenged the authority like no time in our short history.

Fortunately, our reaction to the economic downturn over the past few years as well as methodical and careful planning has resulted in passenger increases for each of the past eleven months. This has allowed this budget to be presented without a fare increase or a significant decrease in service.

To ensure the fiscal health of the authority, tough decisions had to be made when the budget was drafted. These decisions included:

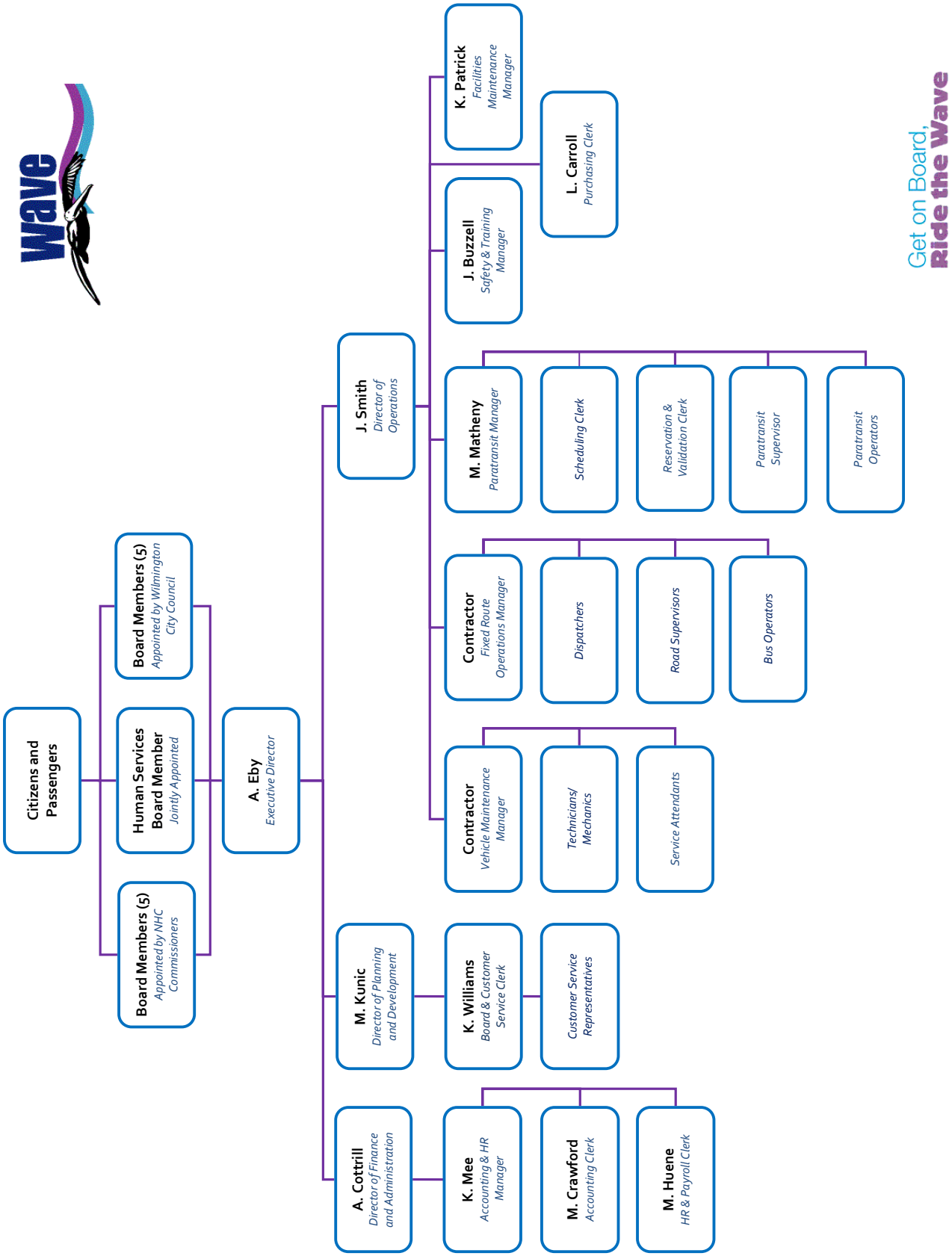
- Reducing headway times on the 102 from 30 to 60 minutes
- Raising our mileage costs to agencies
- Raising the costs to partnering agencies participating in the Brunswick Connector
- Renegotiation of the contract with UNCW for the Seahawk Shuttle

Staff is confident that these decisions as well as continued dedication to protecting the taxpayer investment in public transportation in the region will allow us to continue our high level of service while maintaining our modest fund balance. We remain dedicated to the mission and goals of the authority and to our fiduciary duty. Special thanks go to the finance committee and our finance staff in preparing and passing this important budget.

Regards,

Albert Eby

Organizational Chart



Get on Board, **Ride the Wave**

CAPE FEAR PUBLIC TRANSPORTATION AUTHORITY

BUDGET ORDINANCE

Introduced by: Arthur T. Cottrill, Director of Finance and Administration

Date: June 23, 2011

ORDINANCE MAKING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 01, 2011

BE IT ORDAINED:

That the following appropriations are hereby made by the Cape Fear Public Transportation Authority, and that the following revenues are anticipated to be available during the fiscal year to meet these appropriations.

Operating Appropriations	
General Operating Expenses	$ 7,390,034
Operating Revenues	
Passenger Fares	$ 875,000
FTA 5307	1,870,203
FTA 5317	132,000
FTA 5303	45,000
NCDOT CTP	225,000
New Hanover County Department of Aging	227,600
New Hanover County DSS (Van)	647,305
New Hanover County DSS (Taxicab)	50,000
New Hanover County DSS (Work First)	35,565
Other Agencies	13,500
City of Wilmington	1,175,000
NCDOT SMAP	770,000
New Hanover County	132,939
New Hanover County – ROAP	240,000
Brunswick Connector – Brunswick County	9,492
Brunswick Connector – Leland	18,791
Brunswick Connector – Belville	5,239
Brunswick Connector – Navassa	7,123
UNCW	890,277
Other Income	20,000
Total Operating Revenues	$ 7,390,034

Adopted at a regular meeting
on June 23, 2011

Don Betz, Chairman

Attest:

(seal)

Andrew Koeppel, Secretary

REVENUE & EXPENDITURE SUMMARY

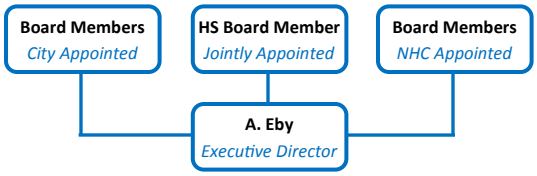
Cape Fear Public Transportation Authority
Budget

	Actual 6/30/2009	Budget 6/30/2010	Actual 6/30/2010	Budget 6/30/2011	Proforma 6/30/2011	Budget 6/30/2012
Operating Revenues						
Passenger fares	742,625	726,000	775,977	755,000	876,678	875,000
New Hanover - Department of Aging	134,880	139,000	138,695	129,500	164,240	227,600
New Hanover - DSS (Van)	498,014	516,000	475,308	470,000	453,369	647,305
New Hanover - DSS (Taxicab)	18,840	20,000	45,292	37,000	24,807	50,000
New Hanover - DSS (Workfirst)	54,859	53,000	54,500	89,500	28,520	35,565
UNCW	683,022	764,000	800,115	797,500	877,194	978,270
Reduction in service (UNCW Summer)	-	-	-	-	(15,359)	(14,797)
Reduction in service (UNCW Spring & Fall)	-	-	-	-	-	(73,196)
Coastal Enterprise	13,190	17,000	9,377	12,500	4,027	3,500
Other agencies	2,284	500	2,530	3,650	9,521	10,000
FTA 5307/5340	1,689,986	1,871,540	2,010,108	2,171,386	2,100,586	1,870,203
FTA 5317	-	113,400	24,042	113,400	136,469	132,000
ARRA for relocation	-	-	-	50,000	-	-
FTA 5303 (planning)	47,580	47,437	-	47,437	47,437	45,000
NCDOT SMAP	915,058	915,058	845,317	877,000	771,331	770,000
NCDOT CTP	234,461	207,448	144,141	196,000	212,204	225,000
City of Wilmington	1,135,050	1,131,886	1,381,054	1,175,000	1,175,000	1,175,000
New Hanover County	102,527	76,333	130,727	132,939	132,939	132,939
ROAP	212,256	200,000	244,544	200,000	253,346	240,000
Brunswick Connector - Brunswick County	7,458	7,458	7,458	7,458	7,458	9,492
Brunswick Connector - Leland	12,255	13,245	13,245	13,245	12,000	18,791
Brunswick Connector - Belville	4,814	4,814	4,814	4,814	4,814	5,239
Brunswick Connector - Navassa	5,984	5,984	5,984	5,984	-	7,123
Other income	-	100	10,710	100	44,273	20,000
	6,515,143	6,830,203	7,123,938	7,289,413	7,320,854	7,390,034
Operating expenses						
Salaries and wages - PTM	3,058,097	3,150,000	3,260,861	3,388,626	3,355,615	3,519,822
Salaries and wages - CFPTA	271,012	270,000	243,607	408,616	521,711	613,447
Fringe benefits - PTM	926,595	725,000	869,854	930,928	965,451	725,570
Fringe benefits - CFPTA	97,327	133,000	92,669	214,389	224,674	268,541
Fuel	846,265	875,000	775,120	952,000	1,015,275	1,113,756
Professional services	180,508	210,000	211,252	212,000	192,622	150,000
Vehicle maintenance	269,720	355,000	398,597	387,000	407,053	350,000
Shop supplies	-	-	23,324	-	15,834	20,000
Insurance	202,283	245,000	173,130	220,000	177,314	420,000
Marketing and publishing	70,034	45,000	26,535	45,000	40,397	40,000
Tires and tubes	88,895	93,000	67,321	90,000	73,236	75,000
Taxes and licenses	-	100	16,230	-	9,953	7,000
Taxicabs	60,565	63,000	47,240	63,000	38,281	50,000
Utilities	71,183	72,000	78,926	80,000	79,453	90,000
Supplies	20,095	15,000	13,394	12,000	20,930	12,000
Services	166,083	110,000	140,751	100,000	154,769	140,500
Other	47,312	110,000	45,165	60,000	50,661	42,100
Relocation	-	-	-	50,000	-	-
New routes	-	226,800	-	-	-	-
Reserve	-	132,303	-	55,854	-	-
Transfers	6,069	-	-	20,000	-	101,502
Reduction in service (UNCW Summer)	-	-	-	-	(24,600)	(26,465)
Reduction in service (UNCW Spring & Fall)	-	-	-	-	-	(121,739)
Reduction in service (Route 102)	-	-	-	-	-	(201,000)
	6,382,043	6,830,203	6,483,976	7,289,413	7,318,629	7,390,034

Operating Expenses by Department

Authority Members & Executive Director

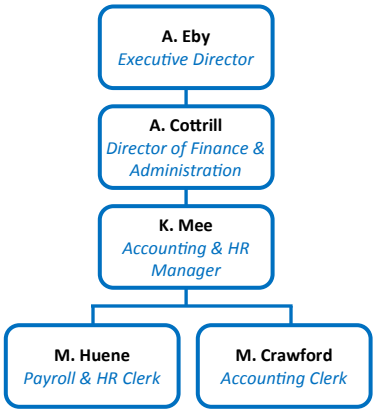
The authority is governed by eleven members appointed by the Wilmington City Council and the New Hanover County Board of Commissioners. Authority members are statutorily responsible for setting policy. The authority employs an executive director who serves at the pleasure of the authority. The executive director serves as the liaison to the board as well as the chief executive officer of the authority.



Authorized full - time positions		**1**
Executive Director expenditures by category		
Salary and benefits	$	124,050
Legislative & professional development		1,000
Authority members & meetings expenditures by category		
Meeting expenditures		1,560
Meeting expenditures include monthly meeting expenses and committee expenses		
Legal		20,000
Total expenses Authority Members and Executive Director	**$**	**146,610**

Finance & Administration

The finance and administration department is responsible for providing quality, responsive financial management services to the authority and to ensure prudent use and maintenance of the authority's financial resources and physical assets. The department is also responsible for all human resource functions, insurance, accounting, budgeting and auditing.



Authorized full - time positions		**4**
Finance & Administration expenditures by category		
Salary and benefits	$	265,844
Travel		1,400
Audit		20,000
Dues & subscriptions		6,000
Information technology support		12,000

Finance & Administration (continued)

Licenses		7,000
Postage		3,500
Office supplies		12,000
Insurance		1,000
Total expenses Finance & Administration	**$**	**328,744**

Planning & Development

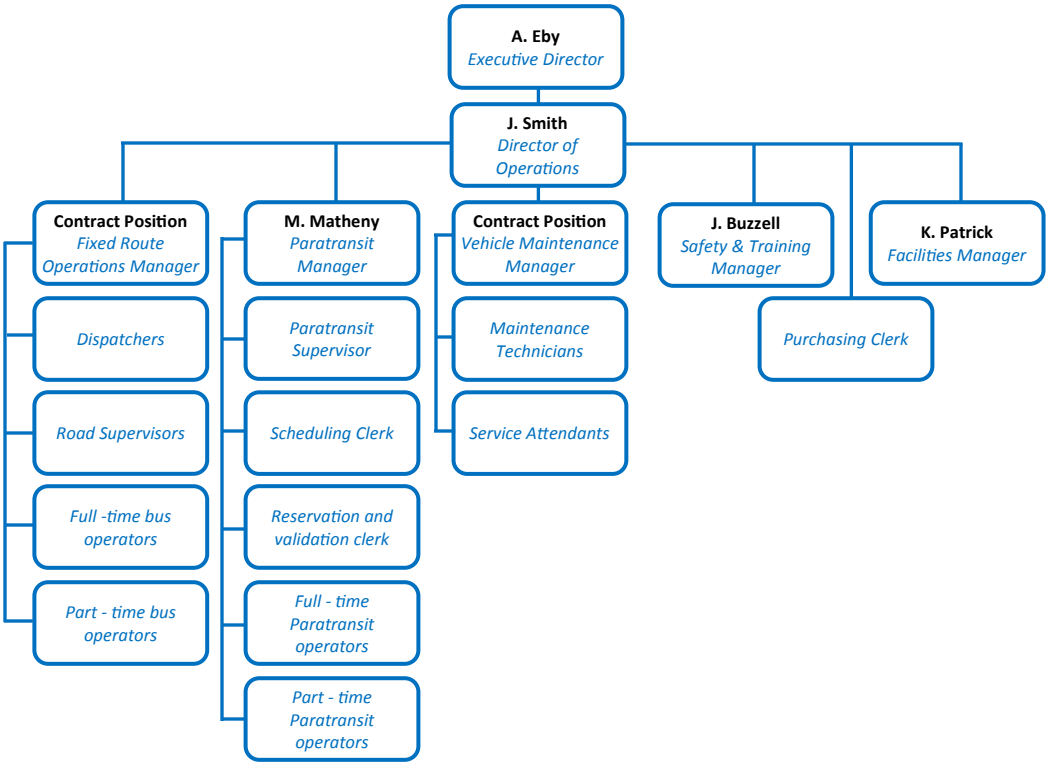
The planning & development department is responsible for route planning, marketing, public relations, customer service, amenities and civil rights compliance. The department works with planning organizations and funding partners to ensure that the services provided by the authority meet the needs of the community and are compliant with all laws, rules and regulations.

Authorized full - time positions		**2**
Authorized part - time positions		**6**
Planning & Development expenditures by category		
Salary and benefits	$	169,434
Travel		1,000
Marketing		40,000
Short range transit plan		100,000
Total expenses Planning & Development	**$**	**310,434**

Operations

The operations department is responsible for delivery of services provided by the authority. Services include fixed route operations and management, Paratransit operations and management facilities, and safety and training. Paratransit employees are employed by the Authority. Beginning in July 2011, fixed route employees will be employed by First Transit, Inc. Fixed route employees include bus operators, maintenance technicians, service employees, dispatchers, road supervisors, a fixed route manager and a vehicle maintenance manager. The contractor serves as the employer of record for these employees to ensure compliance with NCGS §95-98. Facilities management is provided by the operations department to ensure compliance with FTA's state of good repair mandate. Safety and training for Paratransit and fixed route employees are provided by the authority's safety and training manager who also oversees the contractor and authority's drug and alcohol testing and compliance program. Liability insurance is contracted with the New Hanover County Department of Risk Management with support from the operations department.

Operations (continued)



Authorized full - time authority positions	**12**
Authorized part - time authority positions	**25**
Authorized full - time contract positions	**68**
Authorized part - time contract positions	**14**

Authority operations expenditures by category

Salary and benefits	$ 192,250
Travel	5,000

Travel consists of professional development, training and meetings of transit organizations

Fixed route operations expenditures by category

Salary and benefits	$ 2,833,503
Management services	110,000
Insurance	332,000
Claims	15,770
Uniforms	50,325
Fuel	845,125
Drug testing	9,880
Tires	44,400
Other expenses	9,430

Paratransit operations expenditures by category

Salary and benefits	$ 572,812
Insurance	68,000
Claims	3,230
Uniforms	12,675

Operations (continued)

Paratransit operations expenditures by category (continued)

Fuel	$	226,378
Drug testing		5,120
Tires		27,000
Taxicabs		50,000
Other expenses		4,172

Vehicle maintenance expenditures by category

Salary and benefits	$	591,572
Maintenance		329,094
Shop supplies		20,000
Towing		9,500

Safety and Training expenditures by category

Salary and benefits	$	64,006
Travel and training		1,600

Facility maintenance expenditures by category

Salary and benefits	$	66,404
Utilities		90,000
Maintenance		15,000

Total expenses Operations	**$**	**6,604,246**

For additional information about this publication or any of the services provided by Wave Transit, please contact:

Albert Eby,
Executive Director
(910) 202-2035
aeby@wavetransit.com

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