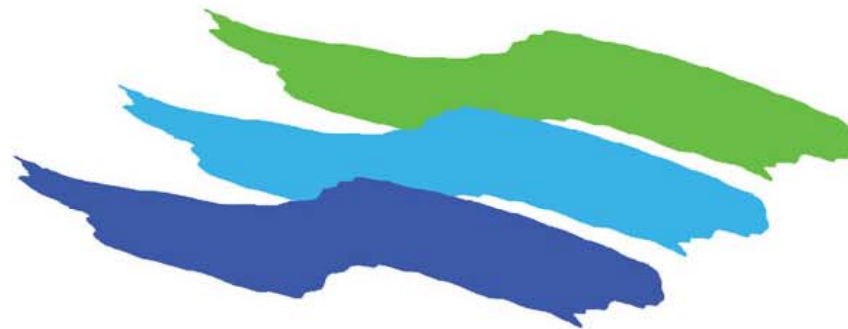




BUDGET-IN-BRIEF

APPROVED BUDGET FOR THE 2013 FISCAL YEAR



HAMPTON ROADS

TRANSIT





HAMPTON ROADS TRANSIT



OUR VISION

We envision HRT among the preeminent transportation organizations in the nation. We see regional mobility as the cornerstone of economic development and quality of life in Hampton Roads.

OUR MISSION

Our mission is to serve the community through high quality, safe, efficient and sustainable regional transportation services.





HAMPTON ROADS TRANSIT EXECUTIVE STAFF

William Harrell

President & Chief Executive Officer

Henry Li

Chief Financial &
Administrative Officer

Ray Amoruso

Chief Planning &
Development Officer

Ron Edwards

Chief Safety & Security
Officer

James Price

Chief Transit Operations
Officer

Sibyl Pappas

Chief Environmental & Facilities
Officer

David Taylor

Internal Auditor

FINANCE STAFF

Henry Li

Chief Financial &
Administrative Officer

Brandon Singleton

Director of Budgets &
Financial Analysis

Paul Croston

Director of Revenue Services

Sharhonda Rush

Controller

Deborah Purcell

Director of Procurement

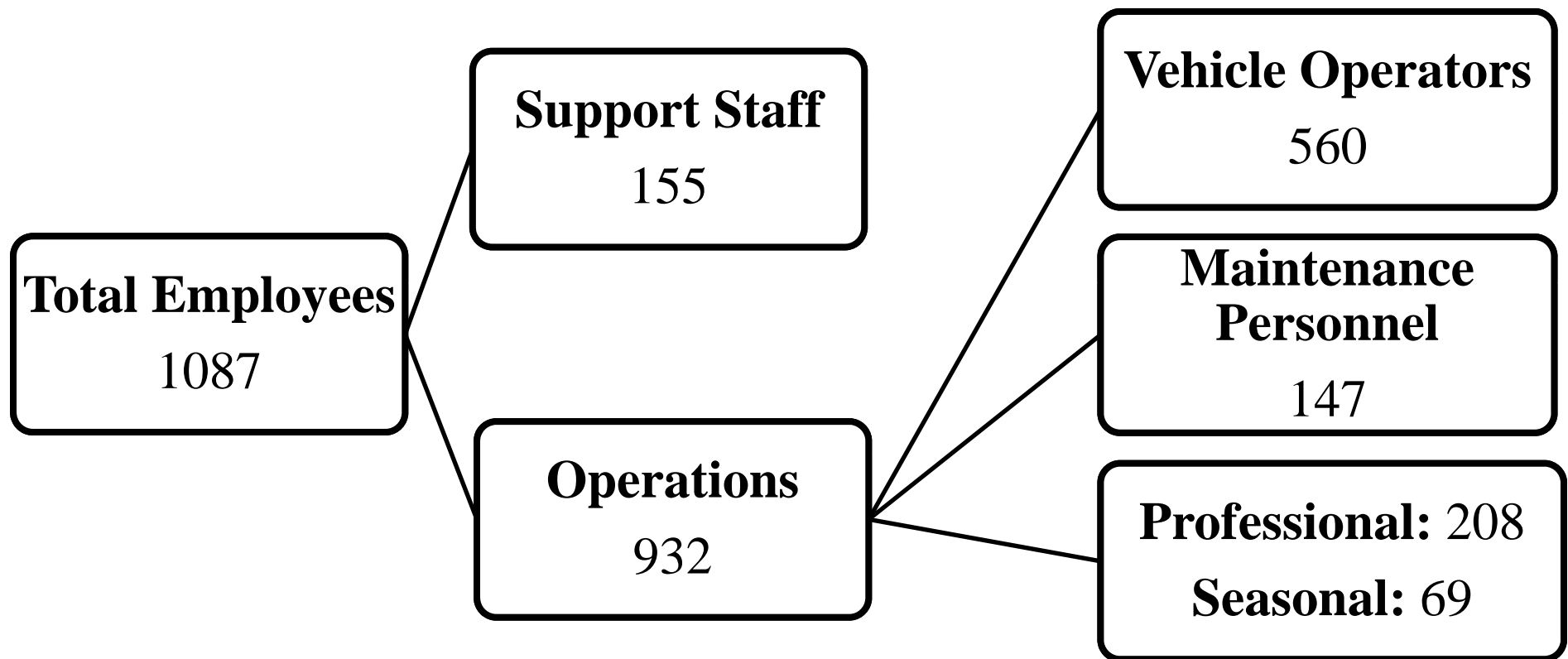


BUDGETARY ASSUMPTIONS

- Service Efficiency Study results fully implemented.
- Three new routes on the Southside and one new route on the Northside.
- Year-over-year service hour adjustments:
 - **LR** **4,119**
 - **Bus** **(38,949)**
- Approximately 200 new and replacement shelters.
- The city of Suffolk ended its contract with HRT effective December 31, 2011.
- 2% increase for all union personnel.
- Beginning in FY2013, HRT will implement the current Virginia Retirement System (VRS) legislation.

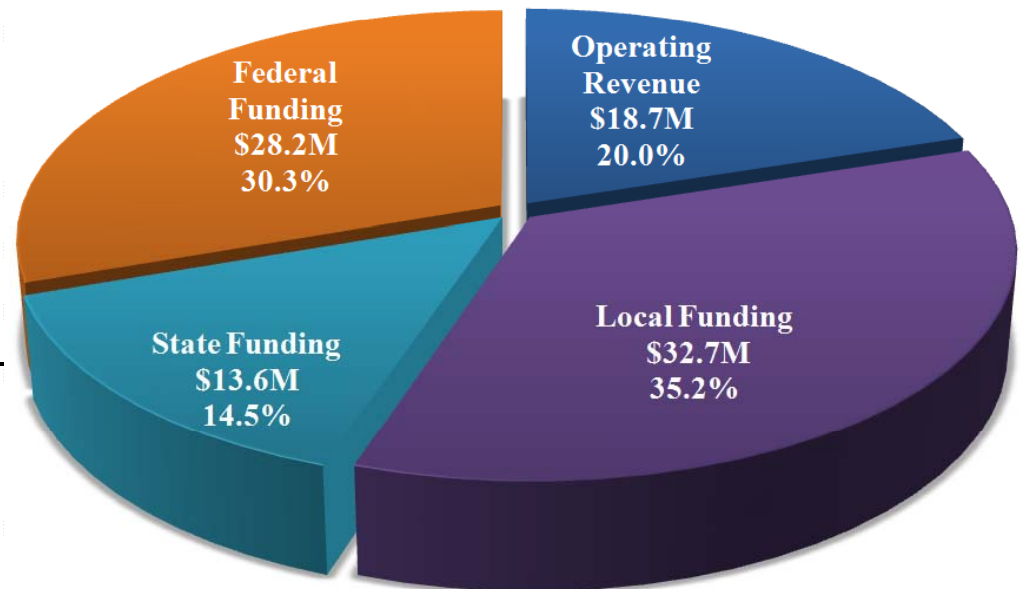


HUMAN RESOURCES



FUNDING SOURCES

Operating Revenue	\$18.7	20.0%
Non Operating Revenue		
Local Funding*	\$32.7	35.2%
State Funding	\$13.6	14.5%
Federal Funding	\$28.2	30.3%
Non Operating Revenue Total	\$74.5	80.0%
Total Revenue	\$93.2	100.0%



HRT has four primary funding sources, direct operations revenue, Federal, State, and Local. The level of Federal and State funding has remained relatively consistent year over year. Total revenue from all funding sources is projected to be \$93.2M.

- ❖ Operating Revenue is collected through the operation of scheduled bus, light rail, ferry and paratransit services. This revenue is allocated to the city in which the fares are collected.
- ❖ Advertising Revenue is collected for advertising on buses.
- ❖ Non-Transportation income is earned through the sale of assets, interest earnings, and vanpool leases
- ❖ Federal Funding includes preventive maintenance (PM) and ADA subsidies, CMAQ, TDM, UPWP, and other grant offsets.
- ❖ State Funding includes funds allocated through the State of Virginia for the operation of public transportation services.
- ❖ Local Funding is the residual cost of operation after application of all operating revenues and state and federal funding. Local funding is determined based upon the level of service provided to each locality.



FUNDING SOURCES

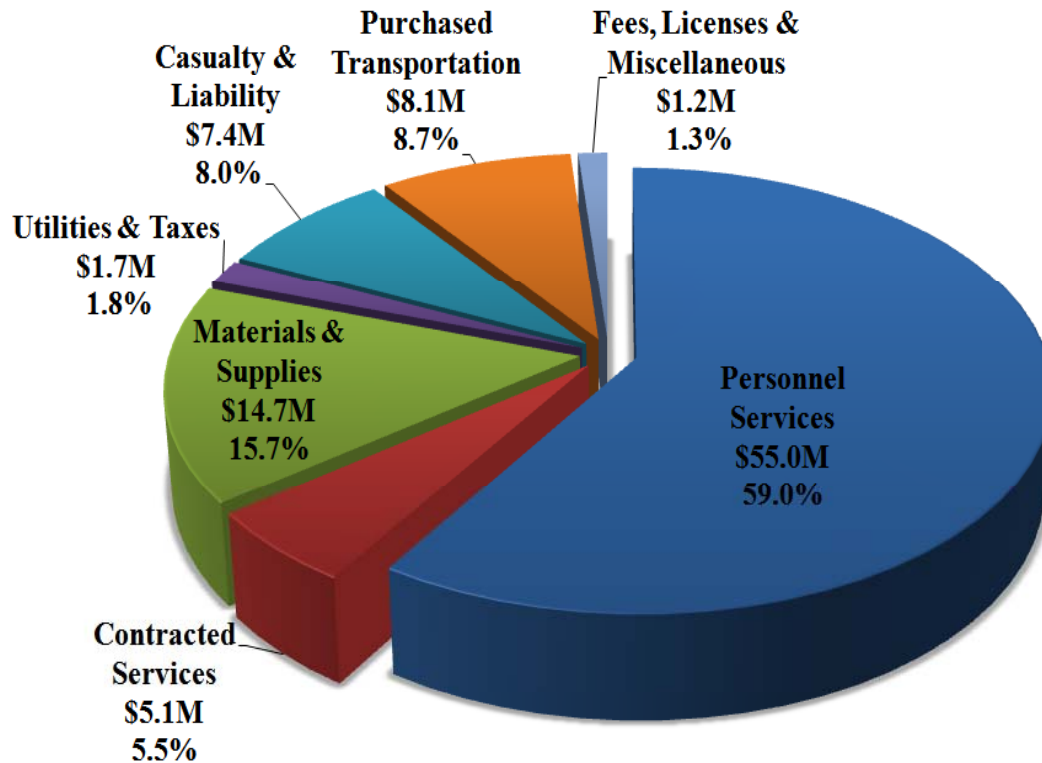
Major Changes and Justifications

(FY2012 vs. FY2013)

- Reduction of \$1.5M in CMAQ for Light Rail and Light Rail Feeder Bus operations.
- Reduction of \$1.2M in grant reimbursements due to Light Rail now in operation.
- Operating Revenue is projected to increase by \$300K due to a advertising campaign.



FUNDING USES



Personnel Services	\$55.0	59.0%
Contracted Services	\$5.1	5.5%
Materials & Supplies	\$14.7	15.7%
Utilities & Taxes	\$1.7	1.8%
Casualty & Liability	\$7.4	8.0%
Purchased Transportation	\$8.1	8.7%
Fees, Licenses & Misc	\$1.2	1.3%
Total Operating Expenses	\$93.2	100.0%

Funding uses have remained relatively consistent year over year. Total funding uses are projected to be \$93.2M.

❖ HRT is a service-providing agency, therefore the majority of costs are in the Personnel Services category. With the exception of Personnel Services.

❖ Contracted Services include audit, legal, marketing, medical screenings, support contracts, labor relations, training, contract help, outside repairs, custodial, armored car services, etc.

❖ Materials and Supplies include fuel, maintenance, office supplies and printing expense.

❖ Casualty & Liability includes the self-insurance program, as well as insurance premiums.

❖ Purchased Transportation includes funding for paratransit services and the Ferry service. Paratransit service is mandated by federal regulations in communities receiving public transit service supported with federal funding. A yearly contractual increase in the MV Transit contract is the primary reason for the increase in Purchased Transportation.

FUNDING USES

Major Changes and Justifications

(FY2012 vs. FY2013)

- 2% increase for all union personnel.
- Maintenance for new and replacement shelters.
- Increased utilities due to addition of new buildings.
- Increased safety and security initiatives to foster a safer and more secure transit system.
- IT infrastructure Improvements.
- Fuel is projected to increase to over \$3.00 per gallon vs. \$2.65 per gallon in FY2012.



FUNDING USES BY MODE

	Total Budget	Bus PT / Ferry	Light Rail	Support
Personnel Services	\$55.0	\$39.5	\$6.4	\$9.1
Contracted Services	\$5.1	\$0.9	0.5	3.7
Materials & Supplies	\$14.7	\$13.6	0.8	0.3
Utilities & Taxes	\$1.7	\$0.0	0.6	1.1
Casualty & Liability	\$7.4	\$5.4	2.1	0.0
Purchased Transportation	\$8.1	\$8.1	0.0	0.0
Fees, Licenses & Miscellaneous	\$1.2	\$0.1	0.2	0.9
Total Operating Expenses	\$93.2	\$67.5	\$10.4	\$15.2



CONTRIBUTION BY CITY

City	FY2012				FY2013			
	Service Cost		Service Cost		Service Cost Incr(Decr)		Service Hours Incr(Decr)	
	Rail	Other	Rail	Other	Rail	Other	Rail	Other
Chesapeake	\$0.0	\$1.9	\$0.0	\$1.9	\$0.0	\$0.0	-	(1,402)
Norfolk	2.4	10.3	4.2	10.6	1.8	0.4	4,119	(19,495)
Portsmouth	0.0	2.9	0.0	3.0	0.0	0.0	-	1,603
Suffolk	0.0	0.7	0.0	0.0	0.0	-0.7	-	(13,933)
VA Beach	0.0	4.3	0.0	5.1	0.0	0.9	-	12,532
Hampton	0.0	3.8	0.0	3.9	0.0	0.0	-	(11,428)
Newport News	0.0	5.0	0.0	5.3	0.0	0.3	-	(9,689)
Total	\$2.4	\$28.9	\$4.2	\$29.8	\$1.8	\$0.9	4,119	(41,812)



COST OF SERVICE

	Bus	MAX	VB Wave	NET	Tide	Ferry	Special	Paratransit	Total
Service Hours	677,939	33,695	19,484	18,428	30,219	6,194	2,947	184,638	973,545
Cost per Hour	\$ 84.69	\$ 84.69	\$ 84.69	\$ 84.69	\$ 365.25	\$ 214.70	\$ 84.69	\$ 62.58	\$ 90.03
Service Cost	\$ 57,414,613	\$ 2,853,651	\$ 1,650,108	\$ 1,560,675	\$ 11,037,444	\$ 1,329,786	\$ 249,581	\$ 11,554,514	\$ 87,650,372

Farebox Revenue	\$ 14,024,517	\$ 556,804	\$ 653,380	\$ 150,941	\$ 1,200,000	\$ 352,017	\$ -	\$ 753,782	\$ 17,691,441
% Farebox Recovery	24.4%	19.5%	39.6%	9.7%	10.9%	26.5%	0.0%	6.5%	20.2%

Net Operating Cost	\$ 43,390,097	\$ 2,296,847	\$ 996,727	\$ 1,409,734	\$ 9,837,444	\$ 977,768	\$ 249,581	\$ 10,800,733	\$ 69,958,931
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State Funding	9,024,647	803,896	269,138	254,551	1,057,621	216,892	40,707	1,884,577	\$ 13,552,030
State Funding %	15.7%	28.2%	16.3%	16.3%	9.6%	16.3%	16.3%	16.3%	15.5%
Federal Funding	13,323,440	1,492,950	351,114	332,084	4,558,060	399,028	53,106	4,532,666	\$ 25,042,448
Federal Funding %	23.2%	52.3%	21.3%	21.3%	41.3%	30.0%	21.3%	39.2%	28.6%
Local Funding	\$ 21,042,010	\$ -	\$ 376,476	\$ 823,099	\$ 4,221,763	\$ 361,848	\$ 155,767	\$ 4,383,489	\$ 31,364,452
Local Funding %	36.6%	0.0%	22.8%	52.7%	38.2%	27.2%	62.4%	37.9%	35.8%

Commission Expense	\$ 1,422,219
Vanpool Profit	(286,553)
Advance Capital Contribution	1,506,574
Total System Cost	\$ 34,006,693



COST OF SERVICE-CHESAPEAKE

	Bus	Paratransit	Total
Service Hours	36,037	19,711	55,748
Cost per Hour	\$ 84.69	\$ 62.58	\$ 76.87
Service Cost	\$ 3,051,929	\$ 1,233,500	\$ 4,285,429

Farebox Revenue	\$ 745,252	\$ 80,470	\$ 825,722
% Farebox Recovery	24.4%	6.5%	19.3%

Net Operating Cost	\$ 2,306,677	\$ 1,153,030	\$ 3,459,707
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State Funding	\$ 497,779	\$ 201,188	\$ 698,967
State Funding %	16.3%	16.3%	16.3%
Federal Funding	\$ 649,396	\$ 483,884	\$ 1,133,280
Federal Funding %	21.3%	39.2%	26.4%
Local Funding	\$ 1,159,501	\$ 467,958	\$ 1,627,460
Local Funding %	38.0%	37.9%	38.0%

Commission Expense	\$ 237,036
Vanpool Profit	\$ (47,759)
Advance Capital Contribution	\$ 89,363
Total Chesapeake Cost	\$ 1,906,100



COST OF SERVICE-NORFOLK

	Bus	Tide	NET	Ferry	Paratransit	Total
Service Hours	271,040	30,219	18,428	3,103	46,289	369,080
Cost per Hour	\$ 84.69	\$ 365.25	\$ 84.69	\$ 214.70	\$ 62.58	\$ 105.98
Service Cost	\$ 22,954,357	\$ 11,037,444	\$ 1,560,675	\$ 666,288	\$ 2,896,733	\$ 39,115,497

Farebox Revenue	5,912,111	1,200,000	\$ 150,941	\$ 176,378	\$ 188,890	\$ 7,628,320
% Farebox Recovery	25.8%	10.9%	9.7%	26.5%	6.5%	19.5%

Net Operating Cost	\$ 17,042,246	\$ 9,837,444	\$ 1,409,734	\$ 489,911	\$ 2,707,843	\$ 31,487,177
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State Funding	\$ 3,446,353	\$ 1,057,621	\$ 254,551	\$ 108,674	\$ 472,466	\$ 5,339,665
State Funding %	15.0%	9.6%	16.3%	16.3%	16.3%	13.7%
Federal Funding	\$ 5,835,622	\$ 4,558,060	\$ 332,084	\$ 199,933	\$ 1,136,346	\$ 12,062,044
Federal Funding %	25.4%	41.3%	21.3%	30.0%	39.2%	30.8%
Local Funding	\$ 7,760,272	\$ 4,221,763	\$ 823,099	\$ 181,304	\$ 1,099,031	\$ 14,085,468
Local Funding %	33.8%	38.2%	52.7%	27.2%	37.9%	36.0%

Commission Expense	\$ 237,036
Vanpool Profit	\$ (47,759)
Advance Capital Contribution	\$ 591,633
Total Norfolk Cost	\$ 14,866,379



COST OF SERVICE-PORTSMOUTH

	Bus	Ferry	Paratransit	Total
Service Hours	63,436	3,090	11,609	78,135
Cost per Hour	\$ 84.69	\$ 214.70	\$ 62.58	\$ 86.55
Service Cost	\$ 5,372,352	\$ 663,497	\$ 726,483	\$ 6,762,332

Farebox Revenue	\$ 1,110,918	\$ 175,640	\$ 47,298	\$ 1,333,856
% Farebox Recovery	20.7%	26.5%	6.5%	19.7%

Net Operating Cost	\$ 4,261,433	\$ 487,858	\$ 679,185	\$ 5,428,476
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State Funding	\$ 856,854	\$ 108,218	\$ 118,492	\$ 1,083,564
State Funding %	15.9%	16.3%	16.3%	16.0%
Federal Funding	\$ 1,204,956	\$ 199,095	\$ 284,989	\$ 1,689,040
Federal Funding %	22.4%	30.0%	39.2%	25.0%
Local Funding	\$ 2,199,624	\$ 180,544	\$ 275,705	\$ 2,655,873
Local Funding %	40.9%	27.2%	38.0%	39.3%

Commission Expense	\$ 237,036
Vanpool Profit	\$ (47,759)
Advance Capital Contribution	\$ 125,250

Total Portsmouth Cost \$ 2,970,400



COST OF SERVICE-VA BEACH

	Bus	VB Wave	Special Service	Paratransit	Total
Service Hours	102,234	19,484	2,545	40,442	164,705
Cost per Hour	\$ 84.69	\$ 84.69	\$ 84.69	\$ 62.58	\$ 79.26
Service Cost	\$ 8,658,186	\$ 1,650,108	\$ 215,536	\$ 2,530,832	\$ 13,054,661

Farebox Revenue	\$ 2,129,334	\$ 653,380	\$ -	\$ 165,178	\$ 2,947,893
% Farebox Recovery	24.6%	39.6%	0.0%	6.5%	22.6%

Net Operating Cost	\$ 6,528,852	\$ 996,727	\$ 215,536	\$ 2,365,653	\$ 10,106,768
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State Funding	\$ 1,389,290	\$ 269,138	\$ 35,155	\$ 412,787	\$ 2,106,368
State Funding %	16.0%	16.3%	16.3%	16.3%	16.1%
Federal Funding	\$ 1,935,780	\$ 351,114	\$ 45,862	\$ 992,808	\$ 3,325,564
Federal Funding %	22.4%	21.3%	21.3%	39.2%	25.5%
Local Funding	\$ 3,203,783	\$ 376,476	\$ 134,519	\$ 960,058	\$ 4,674,836
Local Funding %	37.0%	22.8%	62.4%	37.9%	35.8%

Commission Expense	\$ 237,036
Vanpool Profit	(47,759)
Advance Capital Contribution	264,022
Total Virginia Beach Cost	\$ 5,128,135



COST OF SERVICE-HAMPTON

	Bus	Paratransit	Total
Service Hours	80,226	30,762	110,988
Cost per Hour	\$ 84.69	\$ 62.58	\$ 78.56
Service Cost	\$ 6,794,317	\$ 1,925,064	\$ 8,719,381

Farebox Revenue	\$ 1,455,196	\$ 125,556	\$ 1,580,752
% Farebox Recovery	21.4%	6.5%	18.1%

Net Operating Cost	\$ 5,339,122	\$ 1,799,508	\$ 7,138,630
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State Funding	\$ 1,108,174	\$ 313,984	\$ 1,422,158
State Funding %	16.3%	16.3%	16.3%
Federal Funding	\$ 1,445,710	\$ 755,174	\$ 2,200,885
Federal Funding %	21.3%	39.2%	25.2%
Local Funding	\$ 2,785,237	\$ 730,350	\$ 3,515,587
Local Funding %	41.0%	37.9%	40.3%

Commission Expense	\$ 237,036
Vanpool Profit	(47,759)
Advance Capital Contribution	177,913

Total Hampton Cost \$ 3,882,777



COST OF SERVICE-NEWPORT NEWS

	Regular Bus	Special Service	Paratransit	Total
Service Hours	124,967	402	35,825	161,194
Cost per Hour	\$ 84.69	\$ 84.69	\$ 62.58	\$ 79.78
Service Cost	\$ 10,583,472	\$ 34,045	\$ 2,241,903	\$ 12,859,421

Farebox Revenue	\$ 2,671,706	\$ -	\$ 146,389	\$ 2,818,095
% Farebox Recovery	25.2%	0.0%	6.5%	21.9%

Net Operating Cost	\$ 7,911,767	\$ 34,045	\$ 2,095,514	\$ 10,041,326
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State Funding	\$ 1,726,197	\$ 5,553	\$ 365,661	\$ 2,097,412
State Funding %	16.3%	16.3%	16.3%	16.3%
Federal Funding	\$ 2,251,975	\$ 7,244	\$ 879,466	\$ 3,138,685
Federal Funding %	21.3%	21.3%	39.2%	24.4%
Local Funding	\$ 3,933,594	\$ 21,248	\$ 850,387	\$ 4,805,229
Local Funding %	37.2%	62.4%	37.9%	37.4%

Commission Expense	\$ 237,036
Vanpool Profit	(47,759)
Advance Capital Contribution	258,394
Total Newport News Cost	\$ 5,252,901



COST OF SERVICE-MAX

MAX	
Service Hours	33,695
Cost per Hour	\$ 84.69
Service Cost	\$ 2,853,651
Farebox Revenue	556,804
% Farebox Recovery	19.5%
Net Operating Cost	\$ 2,296,847
State Funding	\$ 803,896
State Funding %	28.2%
Federal Funding	\$ 1,492,950
Federal Funding %	52.3%
Local Funding	\$ -
Local Funding %	0.0%
Commission Expense	\$ -
Vanpool Profit	-
Advance Capital Contribution	-
Total MAX Services	\$ -

*Metro Area Express or MAX is funded by Farebox Revenue, Federal and State Funding and therefore do not require any Local Funding.



SERVICE HOURS

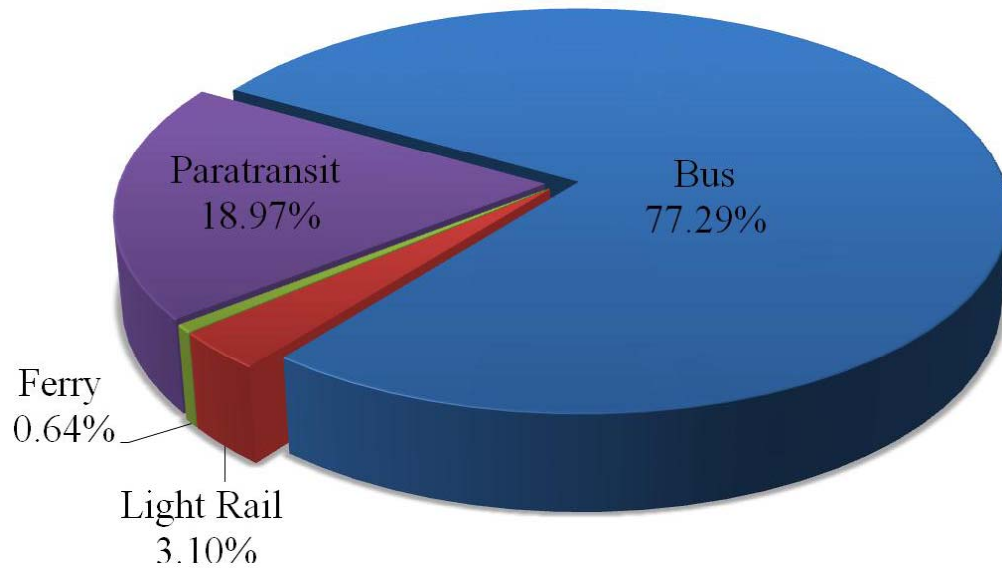
<u>City</u>	<u>FY2012</u>	<u>FY2013</u>	<u>Incr (Decr)</u>	<u>% Change</u>
MAX	32,734	33,695	961	2.9%
Chesapeake	57,150	55,748	(1,402)	-2.5%
Norfolk	384,455	369,080	(15,375)	-4.0%
Portsmouth	76,532	78,135	1,603	2.1%
Suffolk	13,933	-	(13,933)	-100.0%
VA Beach	152,173	164,705	12,532	8.2%
Hampton	122,416	110,988	(11,428)	-9.3%
Newport News	170,883	161,194	(9,689)	-5.7%
Total	1,010,276	973,545	(36,731)	-3.6%

<u>Mode</u>	<u>FY2012</u>	<u>FY2013</u>	<u>Incr (Decr)</u>	<u>% Change</u>
Bus	791,443	752,494	(38,949)	-4.9%
Light Rail	26,100	30,219	4,119	15.8%
Ferry	6,160	6,194	34	0.5%
Paratransit	186,573	184,638	(1,935)	-1.0%
Total	1,010,276	973,545	(36,731)	-3.6%

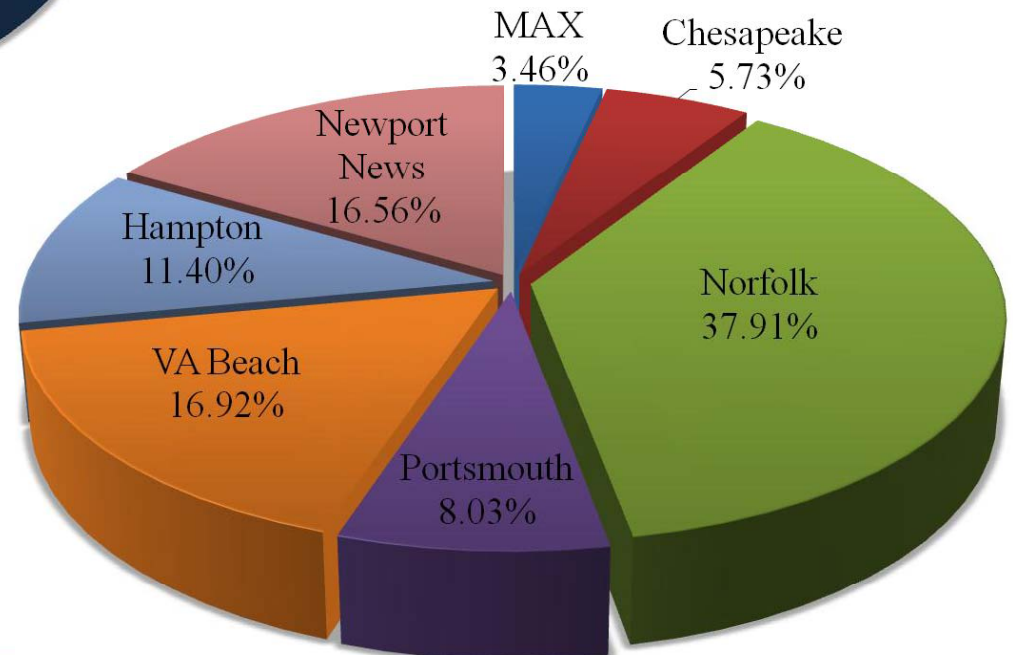


SERVICE HOURS

SERVICE HOURS BY MODE



SERVICE HOURS BY CITY





HAMPTON ROADS

TRANSIT

