CATS

CAPITAL AREA TRANSIT SYSTEM

OPERATING AND CAPITAL BUDGET FOR YEAR ENDING DECEMBER 31, 2019

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CATS
CAPITAL AREA TRANSIT SYSTEM
Connecting you to what matters.

CONTACT

CATS 2019 Operating Budget

Revenue for Calendar/Fiscal Year 2019 is currently estimated at nearly $27 million to fund estimated agency expenses of $26.9 million.

CATS CY2019 Operating budget is **$26,999,987,** compared to estimated CY18 actuals of $25,534,759, an increase of $1,465,228, or 5.7%.

In 2018, CATS was able to reduce its budget compared to 2017 by nearly $2 million. Furthermore, CATS projects its 2018 year-end actual expenditures to be $25,534,759, leaving a balance of $1,465,228 in revenues that will be used for capital match and restricted reserves in 2019.

In 2018, CATS positioned its financial capacity to take on the beginning of its phased-in service and capital improvements. There were a number of improvements made in 2018, including a CATS Board of Commissioners and Metropolitan Council approved Service Improvement Plan that will take effect in February 2019. Various cost efficiency measures will allow the commencement of key capital improvement investments, including the Cortana Transit Center and North Baton Rouge Transit Center.

Operating Revenue
Operating Revenues are expected to total $27 million. As indicated by the attached budget and revenue projections, the majority of CATS operating revenue comes from the dedicated property tax millage and federal grants; the balance comes from passenger revenues, the Parish Transportation Fund, the Hotel/Motel Tax, and advertising revenues.

Operating Expenses
CATS began new budget procedures in 2018 that resulted in savings for the agency, and CATS expects to continue experiencing benefits in 2019. With the addition of eleven new buses – eight diesel and three electric – CATS expects maintenance cost savings as well as an improvement in service reliability. This service reliability helps ensure enhanced service performance.

CATS is targeting full operator employment in 2019 and is budgeting accordingly. Full employment with operators assures fewer trips cancelled for customers and results in improved customer service and service sustainability.

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CATS plans to upgrade its technology efforts, which will result in higher efficiency and better business management. This is a critical component when working to connect people to what matters.

Capital Program

In addition to the outset of several Capital Improvement projects in 2019, CATS has positioned itself for the next five years with a Board-approved Capital Improvements and Investments Plan. In 2019, CATS customers and the community will see the arrival of three electric buses, the flagship of the new Bus Rapid Transit network that CATS has planned. Hailed as Louisiana's first Bus Rapid Transit service, CATS is working to implement its first BRT transit line on Plank Road by fourth quarter 2019.

CATS will have its first transit center, the Cortana Transit Center in East Baton Rouge, completed in early 2019. CATS remains focused on efforts to kick off its North Baton Rouge Transit Center in 2019.

During the course of 2019, CATS will centralize its efforts to retain and attract new ridership while looking to diversify revenue.

Capital Area Transit System

Operating Budget

For the Year Ending December 31, 2019

Operating Revenues

Description	2019 Budget	2018 Projected	Dollar Variance
Operating Revenue			
Passenger Paid Fares	1,701,630	1,731,821	(30,191)
Special Transit Fares (Contract)	311,319	290,447	20,872
ADA/Paratransit Revenue	92,000	90,963	1,037
Advertising Revenue	732,647	720,098	12,549
Interest Income	162,183	152,474	9,709
Other Agency Revenue	179,366	184,700	(5,334)
Total CATS Generated	**3,179,146**	**3,170,503**	**8,643**
Non Federal Revenue			
Hotel/Motel Tax	1,250,823	1,260,658	(9,835)
Parish Transportation Fund	550,000	550,000	0
Property Tax Revenue	17,608,470	15,592,201	2,016,268
Total Non Federal	**19,409,292**	**17,402,859**	**2,006,433**
Federal Operating Subsidies			
FTA - Preventive Maintenance	4,186,549	4,101,500	85,049
FTA - Project Administration		124,600	(124,600)
FTA - Planning	225,000	200,000	25,000
FTA - JARC/New Freedom		535,297	(535,297)
Total Federal Operating	**4,411,549**	**4,961,397**	**(549,848)**
Total Operating Revenues	**26,999,987**	**25,534,759**	**1,465,228**
TOTAL SOURCES OF REVENUE	**26,999,987**	**25,534,759**	**1,465,228**

Note: 2018 property tax is estimated at $17.8 million, $15.6 million was applied to balance the operating budget; the balance will be applied to capital match and restricted reserve accounts.

Capital Area Transit System

Operating Budget

For the Year Ending December 31, 2019

Operating Expenses

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Description	2019 Budget	2018 Projected	Dollar Variance
Operating Expenses			
Labor	10,885,580	9,922,072	963,508
Fringe Benefits	6,482,182	6,535,022	(52,840)
Labor and Fringe Benefits	**17,367,762**	**16,457,094**	**910,668**
Casualty and Liability	1,686,478	1,650,549	35,929
Services	1,790,710	1,680,247	110,463
Purchased Transportation	2,250,000	2,039,282	210,718
Materials & Supplies	2,733,238	2,708,828	24,410
Utilities	272,000	206,365	65,635
Miscellaneous Expenses	739,799	616,843	122,956
Leases and Rentals	160,000	175,551	(15,551)
Total Operating Expenses	**26,999,987**	**25,534,759**	**1,465,228**

NET BALANCE (+/-)	**0.00**	**0.00**	