



**Date:** January 23, 2015

**To:** Pikes Peak Rural Transportation Authority (PPRTA) Board of Directors  
Honorable President and Members of City Council  
Citizen Advisory Committee (CAC) to the PPRTA Board of Directors

**Via:** Steve Bach, Mayor

**From:** Kara Skinner, Chief Financial Officer 

**Subject:** **City Funding of Transit Services and Transportation Maintenance**

On August 26, 2004, an Intergovernmental Agreement (IGA) between El Paso County, the City of Colorado Springs, the City of Manitou Springs, and the Town of Green Mountain Falls was adopted which includes an aspirational and non-binding statement of intention that funds from the Pikes Peak Rural Transportation Authority (PPRTA) should not be used to substitute or reduce the City's funding of Transit Services and Transportation Maintenance. Notwithstanding this goal, the language of Sections 5.2 and 5.3 of the City - PPRTA First Amendment to the City-PPRTA IGA dated July 12, 2006 is clear that City funding of both City sponsored Transportation Maintenance and Transit Services is left to the sound discretion of the City.

This memo, prepared annually, provides the PPRTA Board information regarding 2015 City funding for Transit Services and Transportation Maintenance.

**Transit Services:** As we have noted before, during the Great Recession, significant budget reductions were required across the City including Transit Services. However, beginning in 2011, City funding for Transit Services has been increasing. With additional City funding, PPRTA funding and grant funding, Transit Services have increased - specifically, evening services, Saturday/Sunday/Holiday services, increased frequency on key transit routes, and new transit routes to Powers Boulevard and the El Paso County Citizens Center. For 2015, City funding increased \$471,000 - to increase headway frequency on one bus route and provide grant match for pedestrian/transit accessibility on four routes. It is important to note that since the Great Recession, when severe cuts were made across the City, the City's General Fund Transit budget (2011-2015) has increased 65% while the over-all General Fund budget has increased 22%. This demonstrates that Transit Services funding has been a high priority for the City.

**Transportation Maintenance:** The City calculates that its 2015 budget meets the IGA's aspirational goal for Transportation Maintenance. Transportation Maintenance activities are funded in the City Engineering, Traffic Engineering, and Streets Divisions and include a portion of Fleet and Radio expenses. The 2015 Budget includes City funding of \$966,000 above the 2004 Budget for these activities.

Based upon the foregoing, the City of Colorado Springs believes that it has clearly prioritized increased funding for Transit Services and satisfied the aspirational goal of the IGA with respect to funding for Transportation Maintenance. Details regarding funding calculations follow.

**General Fund Transportation Maintenance**

	2004	2013	2014	2015
<b>City Engineering</b>				
Salaries & Benefits	\$3,414,085	\$4,501,309	\$4,856,745	\$4,823,677
Operating Expenses	\$327,457	\$813,030	\$632,148	\$801,876
Capital Outlay	\$20,270	\$0	\$0	\$0
Budgeted Amount	\$3,761,812	\$5,314,339	\$5,488,893	\$5,625,553
Vehicle Replacement	(\$20,270)	\$0	\$0	\$0
Drainage	(\$1,092,089)	(\$1,526,877)	(\$1,343,837)	(\$1,406,911)
Transportation Maint. Funding	<b>\$2,649,453</b>	<b>\$3,787,462</b>	<b>\$4,145,056</b>	<b>\$4,218,642</b>
<b>Transportation/Traffic Engineering</b>				
Salaries & Benefits	\$3,809,600	\$2,725,321	\$2,792,855	\$2,735,387
Operating Expenses	\$1,320,718	\$1,254,115	\$1,441,856	\$874,843
Capital Outlay	\$161,149	\$5,000	\$0	\$0
Budgeted Amount	\$5,291,467	\$3,984,436	\$4,234,711	\$3,610,230
Vehicle Replacement	(\$61,119)	\$0	\$0	\$0
Transportation Planning	(\$244,302)	\$0	\$0	\$0
Transportation Maint. Funding	<b>\$4,986,046</b>	<b>\$3,984,436</b>	<b>\$4,234,711</b>	<b>\$3,610,230</b>
<b>Streets</b>				
Salaries & Benefits	\$7,283,540	\$6,698,865	\$6,776,640	\$6,594,122
Operating Expenses	\$893,339	\$2,930,937	\$2,647,991	\$2,370,305
Capital Outlay	\$2,462,569	\$90,000	\$70,000	\$10,000
Budgeted Amount	\$10,639,448	\$9,719,802	\$9,494,631	\$8,974,427
Vehicle Replacement	(\$2,407,978)	\$0	\$0	\$0
Drainage	(\$959,335)	(\$1,390,109)	(\$1,640,022)	(\$1,645,451)
Transportation Maint. Funding	<b>\$7,272,135</b>	<b>\$8,329,693</b>	<b>\$7,854,609</b>	<b>\$7,328,976</b>
<b>Subtotal Transportation Maint.</b>	<b>\$14,907,634</b>	<b>\$16,101,591</b>	<b>\$16,234,376</b>	<b>\$15,157,848</b>
<b>Difference from 2004</b>		<b>\$1,193,957</b>	<b>\$1,326,742</b>	<b>\$250,214</b>
<b>Fleet Expenses</b>	\$2,809,098	\$3,862,805	\$3,636,933	\$3,515,686
<b>Radio Communications</b>	\$385,824	\$555,721	\$496,318	\$394,764
<b>Total Transportation Maintenance</b>	<b>\$18,102,556</b>	<b>\$20,520,117</b>	<b>\$20,367,627</b>	<b>\$19,068,298</b>
<b>Difference from 2004</b>		<b>\$2,417,561</b>	<b>\$2,265,072</b>	<b>\$965,743</b>

Notes:

- The 2004 Budget was used as the base from which to compare the budget for transportation maintenance services.
- Funding for vehicle replacement is one-time funding and is quite volatile. For comparison purposes, this funding has been removed from all years shown above.
- For 2012, Engineering is split into City Engineering and Engineering Development Review Division (EDRD). For 2013, EDRD was moved to Planning.
- During 2013, EDRD was transferred back to City Engineering and is included in the City Engineering Total for 2014.

**General Fund Transit Services**

The following table provides a comparison of net costs to the City.

**Transit Services Net Cost to City's General Fund**

<b>Transit Services</b>	<b>Expenditures</b>	<b>Revenues</b>	<b>General Fund Net Cost</b>	<b>Amount Greater/ (Less) than 2004</b>	<b>% change in General Fund Net Cost</b>
2004 Budget	\$8,432,348	\$2,714,534	\$5,717,814		
2005 Budget	\$9,197,883	\$2,264,476	\$6,933,407	\$1,215,593	
2006 Budget	\$11,539,488	\$2,972,702	\$8,566,786	\$2,848,972	23.6%
2007 Budget	\$11,876,447	\$2,976,106	\$8,900,341	\$3,182,527	3.9%
2008 Budget	\$11,805,136	\$2,786,159	\$9,018,977	\$3,301,163	1.3%
2009 Amended Budget	\$9,733,472	\$2,101,079	\$7,632,393	\$1,914,579	(15.4%)
2010 Budget	\$2,620,327	\$0	\$2,620,327	(\$3,097,487)	(65.7%)
2011 Budget	\$3,137,560	\$0	\$3,137,560	(\$2,580,254)	19.7%
2012 Budget	\$3,207,401	\$0	\$3,207,401	(\$2,510,413)	2.2%
2013 Budget	\$3,740,448	\$0	\$3,740,448	(\$1,977,366)	16.6%
2014 Budget	\$3,855,034	\$0	\$3,855,034	(\$1,862,780)	3.1%
2015 Budget	\$4,325,960	\$0	\$4,325,960	(\$1,391,854)	12.2%

**Summary**

- c: Steve Cox, Chief of Staff/Chief Administrative Officer  
 Travis Easton, Public Works Director/City Engineer  
 Craig Blewitt, Transit Services Manager