



*IndyGo*SM

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION
2021 MANAGEMENT & FINANCIAL PLAN

FISCAL YEAR JANUARY 1, 2021 THROUGH DECEMBER 31, 2021

INTRODUCED TO INDYGO BOARD: JULY 27, 2020
INDYGO BOARD ADOPTED: AUGUST 20, 2020

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Indianapolis Public Transportation Corporation
Indiana**

For the Fiscal Year Beginning

January 1, 2020

Christopher P. Morill

Executive Director

TRANSMITTAL LETTER

A BUDGETARY MESSAGE FROM PRESIDENT INEZ EVANS



Indianapolis Public Transportation Corporation
dba IndyGo
1501 W. Washington Street
Indianapolis, IN 46222
T: 317.635.2100
F: 317.634.6585
www.IndyGo.net

July 27, 2020

To: IPTC Chair and Board of Directors

From: Inez Evans, President and CEO

Subject: IPTC 2021 Financial and Management Plan



I am pleased to submit for your information and consideration the 2021 proposed Financial and Management Plan of the Indianapolis Public Transportation Corporation (IndyGo or the Company).

With the vision of Indy Connect in mind, IndyGo spent 2019 advancing projects that promote a more connected, reliable, modern public transportation system.

Accomplishments

Red Line Rapid Transit

In September 2019, the Red Line, Indianapolis' first bus rapid transit line, opened for service. The 13.1 mile line runs from 66th Street in Broad Ripple to the University of Indianapolis, through the densest corridor in Marion County of both residents and employers.

The Red Line was met with incredible enthusiasm from the community when it launched on September 1. In the line's opening week, there were more than 64,000 boardings. The Red Line saw nearly a quarter-million boardings during the first month of service.

As the first project of its kind in Indianapolis, opening the Red Line was not without challenges. IndyGo is dedicated to continuing to identify and address these challenges to improve service on the Red Line and future bus rapid transit lines.

Marion County Transit Plan

In addition to opening the Red Line, IndyGo made great strides in implementing the Marion County Transit Plan through 2019 service changes. In addition to minor adjustments for timing and efficiency, IndyGo improved weekend and evening service.

In September 2019, with the opening of the Red Line, IndyGo implemented changes to many routes to better connect local and rapid service. Among these significant improvements: every route began operating every day of the week, and weekend and evening service was enhanced.

IndyGo saw the results of these service improvements reflected in January 2020's ridership, which was 8% higher than ridership in January 2019. This is the second consecutive January that ridership has increased following service improvements. In addition to the eight percent increase between 2019 and 2020, January 2019 system ridership was 4.2% higher than in January 2018.

MyKey Fare Modernization

IndyGo's new fare system, called MyKey, is currently in the development and testing stages for the general public. The fare system consists of reloadable tap cards, a mobile application, ticket vending machines, fare validators, a point-of-sale system for Customer Service, and fare inspection equipment.

In 2019, IndyGo moved forward with the implementation of the MyKey fare system for certain rider populations. IndyGo offered access to the MyKey system to riders enrolled in the veteran program, as well as students in sponsored-rides programs, including those in the IndyGo and Indianapolis Public Schools (IPS) partnership.

Since July 2018, IndyGo has offered veterans the opportunity to ride the IndyGo fixed route system fare-free by registering for a special veteran identification card. In July 2019, IndyGo started preparing to transition veteran fare cards to the MyKey tap-card system. In November 2019, IndyGo began issuing the new MyKey cards to the over 3,000 veterans registered for the program.

Offering the MyKey system and tap technology has provided IndyGo with valuable information that will help IndyGo to effectively implement the new fare system for all riders in the future.

Awards

Team members and operations received several awards in 2019 and 2020 for various types of work done inside the agency.

- In May 2019, IndyGo Operator Misti El-Shabazz won first place in the Customer Service Challenge Final at the American Public Transportation Association's 2019 International Bus Rodeo in Louisville, KY.
- In August 2019, IndyGo received its first ever Distinguished Budget Presentation Award for the 2019 budget year from the GFOA.
- In October 2019, CEO Inez Evans was appointed to the APTA Board of Directors and Leadership Committee

- In December 2019, IndyGo was awarded the “Best Service Improvement” award by TransitCenter.
- In March 2020, IndyGo received its Certificate of Achievement for Excellence in Financial Reporting for the fiscal year 2018 for the seventeenth straight year from the GFOA.
- In July 2020, IndyGo received its Distinguished Budget presentation award for the 2020 Budget year for the second consecutive year from the GFOA.

Macroeconomic Factors and Financial Health

For nearly a decade, Marion County has enjoyed continual year-over-year growth in its labor force, reaching 492,967 last year. Unemployment had continued to decline throughout 2019 nationally, with the Marion County rate landing at 3.3% at the end of the year.

A voter approved 0.25% income tax and appropriated each year by Council, the revenue from this tax provides funding for IndyGo’s operating budget, capital program and debt services and is specifically used for the purposes approved by Council and State Statute. As with any income tax, future collections are driven by factors largely outside IndyGo’s immediate control.

In 2019 the Federal government continued to allocate formula-based funding to transit, as well as offer opportunities to apply for competitive grants which can be used for innovative projects that deliver exceptional transportation benefits. State funding for mass transit has continued to stay flat.

In the first quarter for 2020, the COVID-19 epidemic called for swift response in various areas of our economy, and public transportation faced notable challenges. IndyGo instituted various operational measures, purchased new equipment, and contracted for new cleaning services, all of which were unbudgeted. Congress passed various support packages to ease the economic impacts of COVID-19 including the CARES Act, one-time grant money covering 100% of eligible expenses for transit agencies’ response efforts to the epidemic. The CARES Act offers support for capital purchases to keep employees safe in the long term as well as operational support to keep critical public transportation services running. Based on federal guidelines, this money will help ensure we can continue to operate service and meet our obligations. IndyGo received \$44 M for increased protective equipment, capital projects for employee protection, and operational support, all 100% reimbursable.

With stay at home orders in place, and the closure of many businesses, IndyGo’s ridership decreased noticeably. March 2020 was down 22% compared to March of 2019. The decrease coincided with Indiana Stay-at-Home orders. On March 29, 2020, IndyGo implemented social distancing measures on the transit system and moved to a reduced schedule. Q1 2020 ended down about 5.5% compared to Q1 2019. Weekly ridership in April has stabilized at approximately 62,000 weekly trips. As social distancing measures ease, IndyGo assumes ridership will rebound slowly during the remainder of FY 2020, but will likely remain lower than FY 2019.

Post-epidemic, IndyGo will be continuing its investment in frequency and longer span of service in

2021. We believe that these investments will support ridership growth, while also recognizing that some commute patterns may be impacted in the longer term. We expect many employers to retain flexible and remote work arrangements for employees, which minimizes IndyGo's capacity concerns during traditional peak commute hours. Maintaining steady service supply for daytime, evenings and weekends for our city's densest population centers will remain core to the business approach. IndyGo is also aiming to integrate more flexible approaches to service delivery to achieve geographic and late night/early morning coverage. IndyGo is targeting new service delivery models to efficiently match supply to demand in real time.

With the excellent oversight of the IPTC Board of Directors, alongside the committed IndyGo team, we will maintain efficiencies that will allow IndyGo to provide the support and service our dedicated transit customers currently expect, while at the same time shaping the future of mobility for the city of Indianapolis and Marion County.

Operating Budget

IndyGo's Operating budget is balanced budget with its revenues at \$117 million, which is 5.6% greater than the previous budget year. The increase comes from various factors such as wage increases, healthcare costs, spare parts purchases, fare enforcement security costs as well as operation and maintenance of Red Line Infrastructure.

Capital Budget

IndyGo's 2021 Capital budget includes a total of \$83.2 million spending in capital projects. The funding comes from various sources. The spending anticipates 42% grants resources, 23% capital funds, and 35% bond proceeds. Major projects include fleet replacement and expansion, street infrastructure, facility improvements, Information Technology and Finance projects, Safety and Security updates as well as outreach and communications related enhancements.

Acknowledgments

The preparation of this budget is a collaborative effort involving every member of the Executive Management Team, various department leads, and the Office of Budget. IPTC staff acknowledges and appreciates the guidance and leadership of IPTC Board of Directors.

Respectfully Submitted,



Inez Evans, PRESIDENT & CEO

IndyGo

ORGANIZATION AND GOVERNANCE

BOARD OF DIRECTORS



GREG HAHN
Chairman



ADAIRIUS GARDNER
Vice Chairman



MARK FISHER
Secretary



RICHARD HARRY
WILSON, JR.
Treasurer



TOMMIE JONES
Service Committee



JUAN F. GONZALEZ
Finance Committee



LISE PACE
Service Committee

EXECUTIVE TEAM



INEZ P. EVANS
President & CEO



AARON VOGEL
Vice President of Operations
and Chief Operating Officer



MARCUS BURNSIDE
Vice President of
Technology/CIO



DENISE JENKINS-AGURS
Vice President of Inclusions
and Workforce Development



BART BROWN
Vice President of Finance
and Chief Financial Officer



JILL RUSSELL
General Counsel



JENNIFER PYRZ
Chief Development Officer VP
of Infrastructure, Strategy,
and Innovation



JEFFREY BROWN
Vice President of
Human Resources



CAMERON RADFORD
Vice President of
Government Affairs

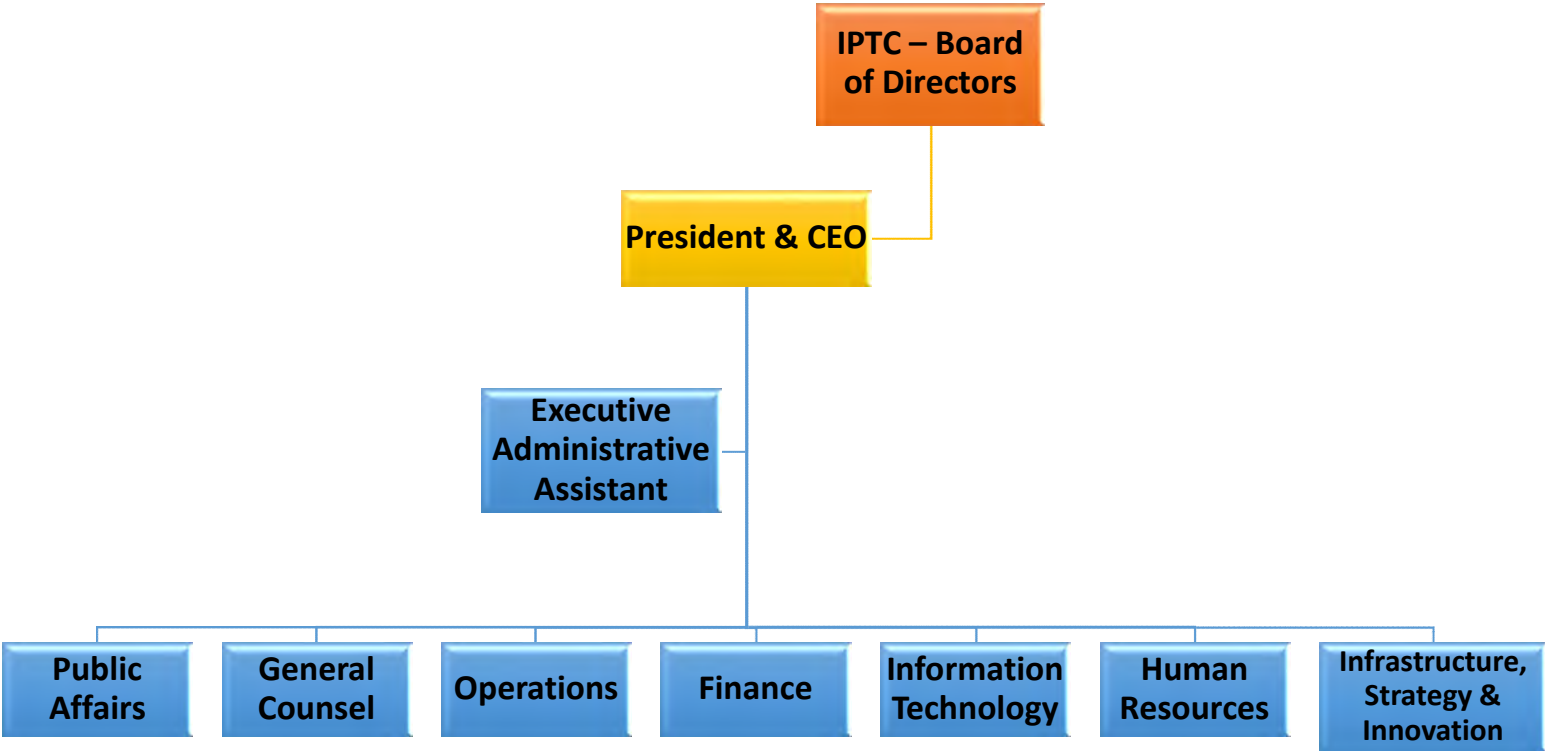
BUDGET MANAGEMENT TEAM

HARDI SHAH, DEPUTY CHIEF FINANCIAL OFFICER

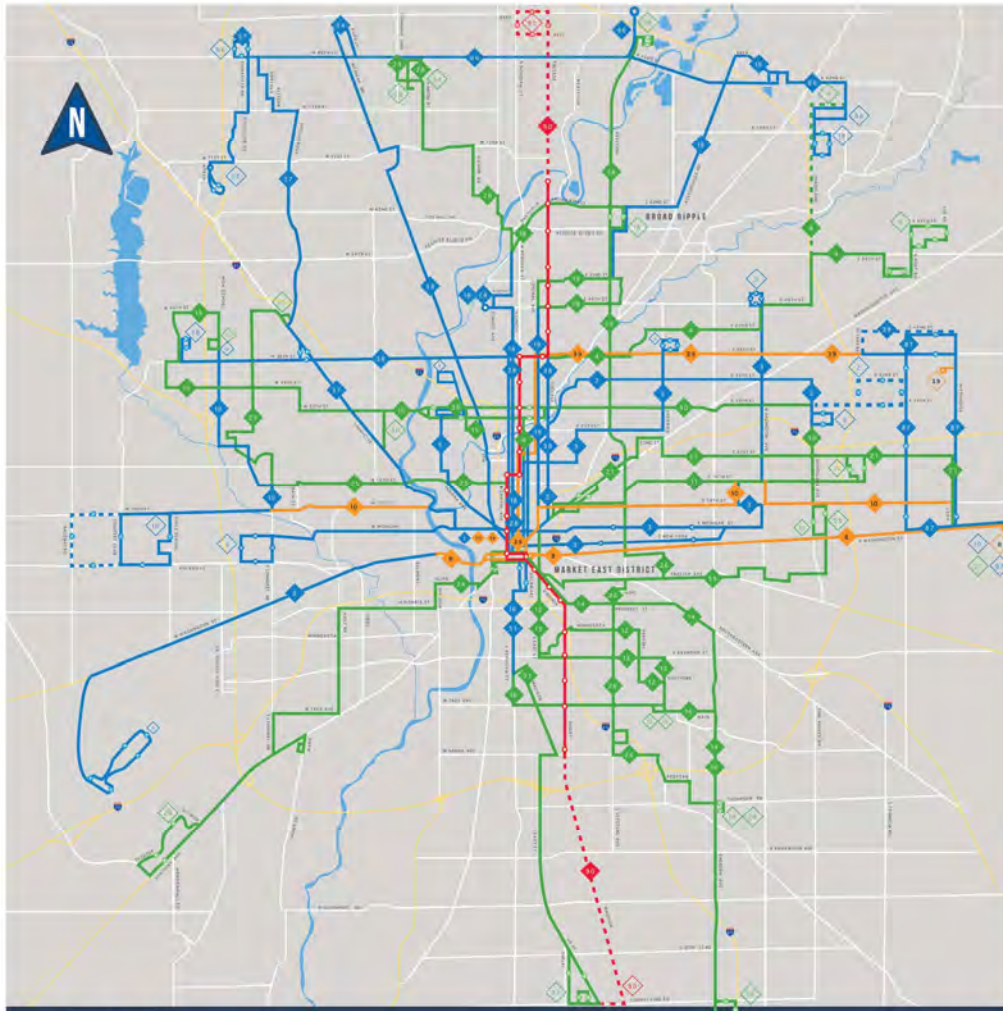
JUSTIN BURCOPE, BUDGET MANAGER

ALEXANDER WANG, DATA & PROJECTS ADMINISTRATOR

ORGANIZATION CHART - INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION



2020 SERVICE MAP

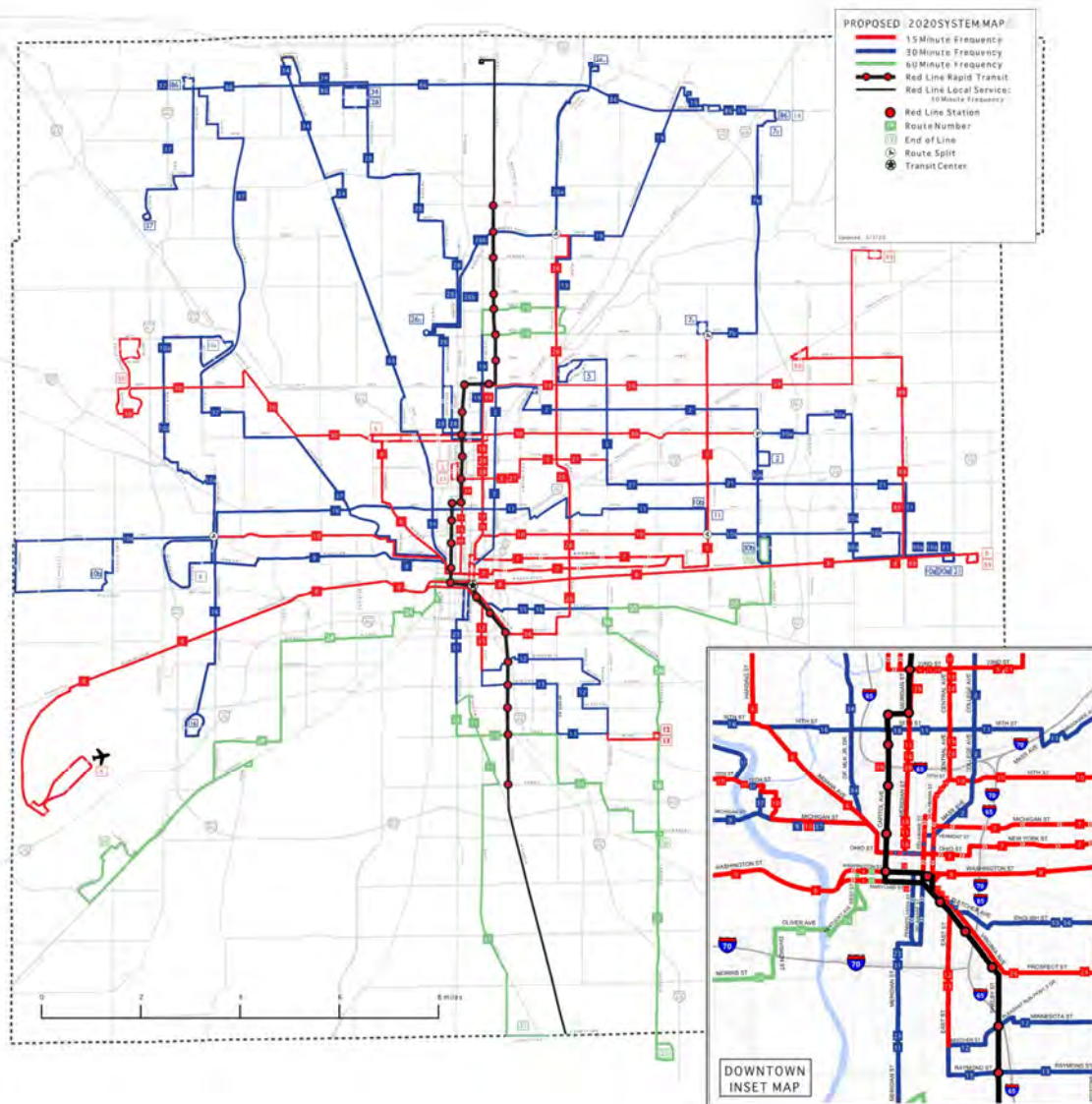


LEGEND

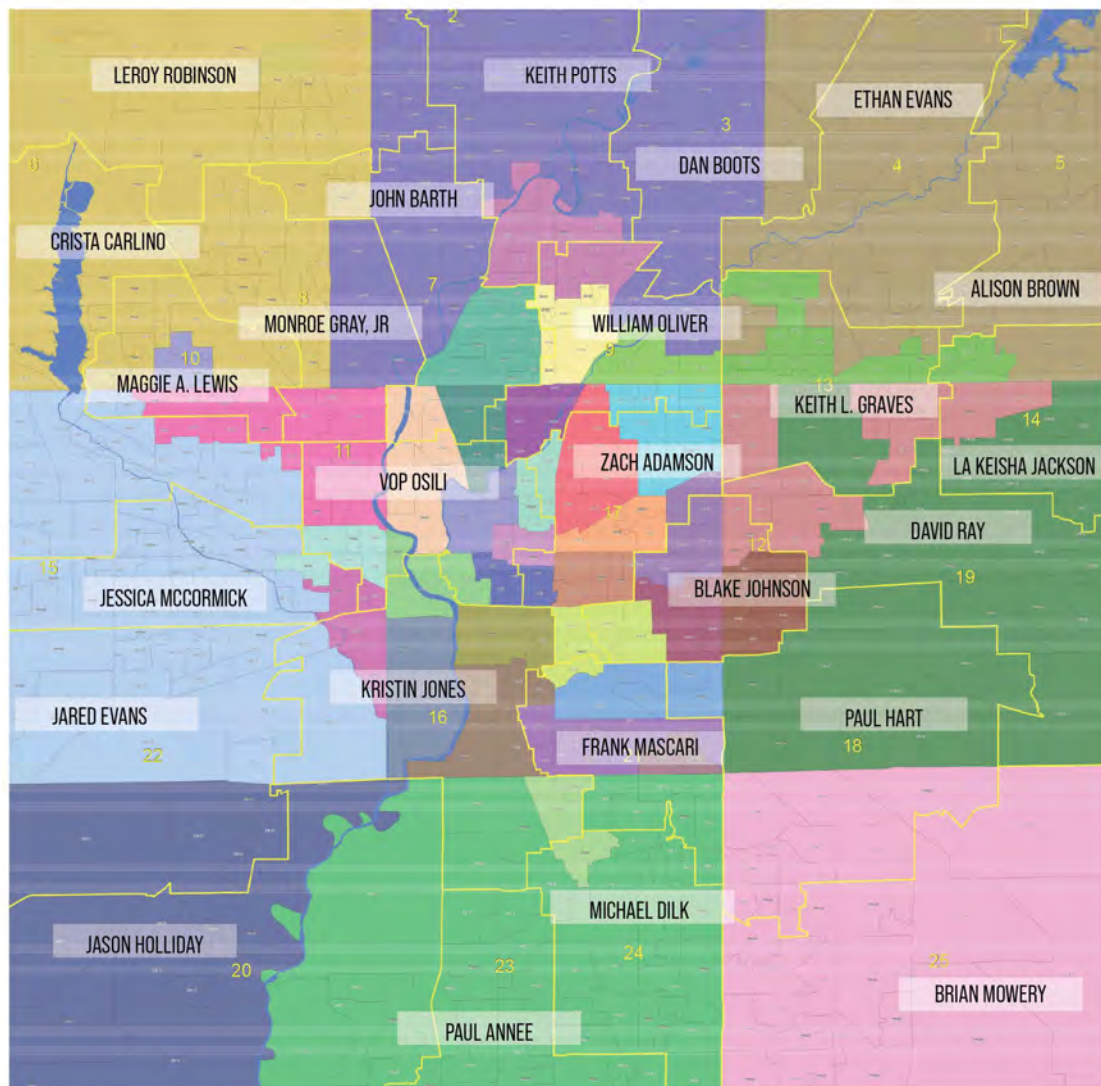
- RED LINE
- 15 MINUTE FREQUENCY
- 30 MINUTE FREQUENCY
- 60 MINUTE FREQUENCY
- RED LINE STATION
- ◆ ROUTE NUMBER



2020 SYSTEM MAP



2020 CITY COUNTY COUNCIL MAP



Indianapolis Public Transportation Corporation
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Table XI
Demographic and Economic Statistics
Last Ten Years

Calendar Year	Population (1)	Per Capita Personal Income (2)	Median Age (3)	Student Enrollment (4)	Unemployment Rate (5)	
2010	904,504	\$ 41,633	33.6	159,865	9.7	%
2011	911,195	44,538	33.0	143,053	9.5	
2012	919,453	45,897	33.7	146,175	9.4	
2013	929,722	45,074	33.9	149,697	7.0	
2014	935,745	46,143	34.1	130,007	5.8	
2015	940,235	47,978	34.3	130,371	4.6	
2016	944,034	49,439	34.4	131,754	3.9	
2017	950,082	50,957	34.5	132,596	3.1	
2018	954,670	51,940	34.5	132,838	3.4	
2019	964,582	51,940 (6)	34.5 (7)	131,292	2.9	

(1) Source: U.S. Census Bureau

(2) Data presented are per the U.S. Department of Commerce, Bureau of Economic Analysis.

(3) Data presented by Stats Indiana.

(4) Data presented is for all Marion County Public Schools. Source: Indiana Department of Education.

(5) Data presented is for Unemployment rate, nonseasonally adjusted, annual average, Marion County, IN. Source: Bureau of Labor Statistic as of December 2018.

(6) This information will be released by the Bureau of Economic Analysis in August 2020; therefore, prior year numbers were utilized.

(7) This information will be released by the U.S. Census Bureau at a future date; therefore, prior year numbers were utilized.

Indianapolis Public Transportation Corporation
(A Component Unit of the Consolidated City of Indianapolis - Marion County)

Table XII
Principal Employers
Current Year and Nine Years Ago

2019				2010			
Employer (2)	Employees	Rank	Percentage of Total City Employment (1)	Employer (3)	Total Employees	Rank	Percentage of Total City Employment (1)
Indiana University Health	23,187	1	4.90%	Clarian Health Partners, Inc.	12,763	1	3.13%
St. Vincent Hospitals & Health Services	17,398	2	3.68%	Eli Lilly and Company	11,550	2	2.84%
Community Health Network	11,328	3	2.39%	St. Vincent Hospitals & Health Services	10,640	3	2.61%
Eli Lilly and Company	10,737	4	2.27%	IUPUI	7,066	4	1.73%
Wal-Mart	8,926	5	1.89%	Federal Express	6,311	5	1.55%
Kroger	7,675	6	1.62%	Community Health Network	5,341	6	1.31%
Federal Express	5,000	7	1.06%	Rolls Royce	4,300	7	1.06%
Anthem	4,866	8	1.03%	St. Francis Hospital & Health Centers	4,152	8	1.02%
Eskenazi Health	4,620	9	0.98%	WellPoint Inc.	3,950	9	0.97%
Meijer	4,594	10	0.97%	Allison Transmission/Div of GMC	3,800	10	0.93%
		Total	20.79%			Total	17.15%

- (1) Percentage of total City employment is calculated using total Employment Labor Force, which can be found at www.stats.indiana.edu.
(2) Largest employers can be found at www.indypartnership.com (Indy Partnership).
(3) 2010 largest employers data can be found in IPTC 2010 Annual Report.

BUDGET PROCESS INFORMATION

FISCAL YEAR 2021 BUDGET PROCESS AND BUDGET CALENDAR

BUDGET PROCESS

The IPTC's budget, when adopted by its Board of Directors & City County Council, becomes the official financial plan for the January 1 to December 31 fiscal year. Therefore, this makes preparation of the budget one of the most important administrative duties performed each year.

The budget process consists of three stages: preliminary planning and preparation, review and adoption and monitoring.

Various departments are involved in providing information for the annual budget. The budget calendar chronicles the budget process from the initial data gathering stages through the budget's adoption by the end of the current fiscal year.

BUDGET PREPARATION

The annual budget development cycle begins with an analysis of the current year budget compared to projected annual expenditures and long -term capital improvement program funding. Development of the 2021 Annual Operating Budget began with a budget workshop meeting in April 2020 to review instructions and distribute budget materials. Departments were advised to use the Zero-Based Budgeting methodology to build the budgets from ground up and not relying on prior budgets as a baseline. This approach is quintessential as IndyGo has gone through some changes in the services levels since passing of the referendum. It is a helpful tool especially when there is uncertainty associated with the future revenues.

During budget development, the departments prepare budgets by expenditure line items and programs. Operating expenditure requests include expenditures necessary to continue at the bare minimum level, current service level and enhanced service level.

REVIEW AND PUBLIC PARTICIPATION

After review by the budget staff, each department director and manager meets with the budget team from late April - June to discuss budget requests, related trends and justifications. Preliminary decisions are made regarding the department requests and the budgets are altered accordingly. The Budget Director and the CFO review any outstanding issues and determine if the proposed budget expenditures can be funded within the projected revenues. If not, further budget adjustments may be required.

The budget team meets with the Board Finance Committee to review options to balance the budget including possible refining of expenditure budgets. Board approval is a three-step process:

1. Presented to Board in late July or the first week of August.
2. Public Hearing will be held ten days after introduction of the Budget to receive stakeholder input.

3. Final approval of the Operating Budget voted on in a separate board meeting held the last Thursday of August.

The board-approved budget gets submitted to the City-County Council by September 1 in the Gateway portal. The director assists with revision of the budget as needed after review and certification by the Board of Directors, City-County Council and the Department of Local Government Finance. Once adopted, it serves as the financial plan for the agency.

BUDGET AMENDMENTS & TRANSFER

Budget Amendment

All local units of government are bound to follow the Indiana Code 6 -1.1 -18 -5 and Indiana code 6 -1.1 -18 -6 for the Additional Appropriation and Transfer Procedures. Any proposed change to the total amount of the agency's Operating Budget, whether increasing or decreasing it, shall be approved by resolution of the Board of Directors. The Department of Local Government Finance must also act on all additional appropriations. Approval by the department is only required for the funds that receive revenue from the property taxes levied under IC 6.1 -1. All other funds are classified as "reporting-only funds". For reporting-only funds, the department must acknowledge the receipt of the additional appropriation request.

Transfer of appropriations between major classifications

IPTC may transfer appropriations from one major budget classification to another within the same fund and department if:

1. They determine that the transfer is necessary;
2. The transfer does not require the expenditure of more money than the total amount set out in the budget for that fund as finally determined under IC 6 -1.1; and
3. The transfer is made at a regular public meeting and by proper ordinance or resolution.

A transfer may be made under IC 6 -1.1 -18 -6 without notice and without the approval of the Department.

MONITORING

Budget status reports are distributed monthly to all department directors and vice presidents. Variances are reported based on the comparison of the budget amounts versus actual expenditures. All departments are required to monitor their respective budgets using this tool to ensure that the adopted budget is being adhered to.

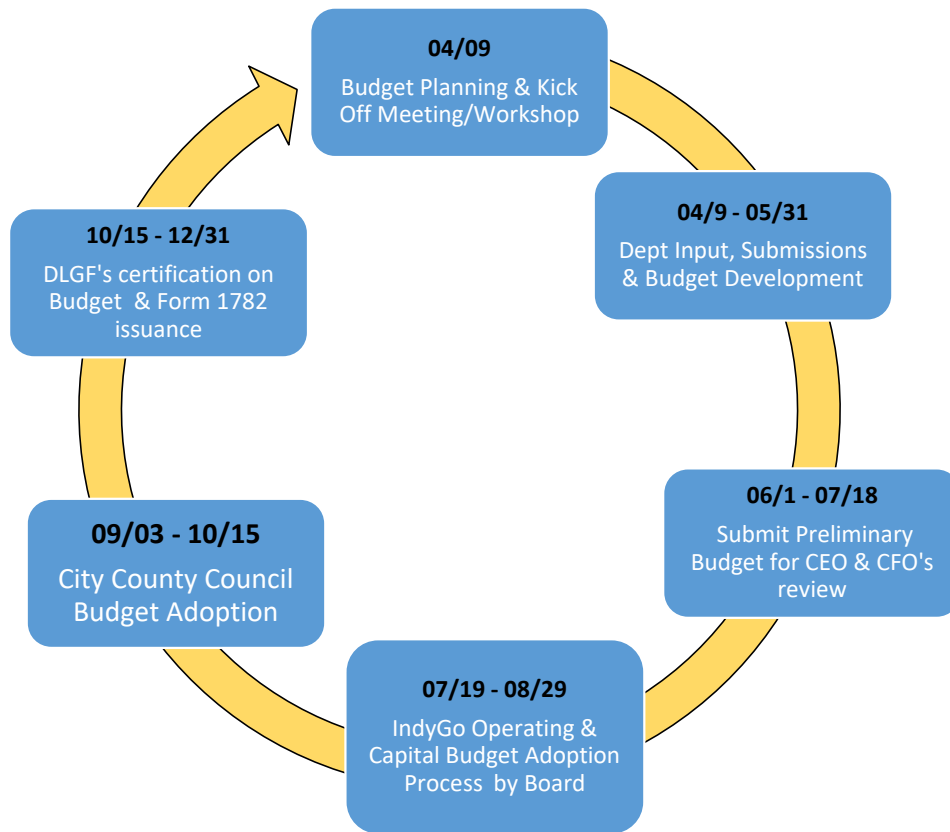
BUDGET ACCESS

All Budget documents are available on the IPTC's website at <https://www.indygo.net/mission-and-values/financial-information/>.

FISCAL YEAR 2021 BUDGET CALENDAR

Budget Planning	Wednesday, April 08, 2020	Budget Workshop to go over 2021 Budget Process
Department Input & Budget Development	Friday, April 24, 2020	Department Directors submit their first draft budget to Finance
	Monday, April 27, 2020 - Friday, May 29, 2020	Meeting with Departments to discuss budget submissions and further refinements
	Monday, June 1, 2020	Last day for county auditor to distribute to each taxing unit the amount of the supplemental distribution that is allocated to the taxing unit under subdivision (IC 6-3.6-9-15)
	Monday, June 1, 2020	Draft budget overview with CFO & CEO
Budget Overview Review Period	Thursday, June 18, 2020	Provide Preliminary Overview of Budget to Finance & Service Committees and Seek Input
	Tuesday, June 30, 2020	SBA to provide Assessed Value Growth Quotient (AVGQ)
	Friday, July 10, 2020	Month End Close for the month of June
	Tuesday, July 14, 2020	DLGF to provide reports on maximum permissible property tax levy, maximum cumulative fund tax rate & miscellaneous revenue sources estimate for the budget year 2021
	Thursday, July 16, 2020	Finance Committee Budget Review
IPTC Budget Finalization & Adoption	Friday, July 17, 2020	Submit 1st Advertisement for Publication in Newspaper on Friday, July 24, 2020
	Thursday, July 23, 2020	Budget to Printer
	Monday, July 27, 2020	IPTC Board Meeting - Introduce budget - 5 pm
	Tuesday, July 28, 2020	Submit 2nd Advertisement for Publication in Newspaper on Friday, July 31, 2020
	Friday, July 31, 2020	DLGF to provide estimates on the 2021 property tax circuit breaker credits

	Monday, August 3, 2020	Certified net assessed valuation provided by county auditors to be made available on Gateway portal by DLGF
	Thursday, August 6, 2020	IPTC Board Meeting - Public Hearing/Comment on Budget - 5 pm
	TBD	Presentation of draft budget to the City Controller
	Thursday, August 20, 2020	IPTC Board Meeting - Final Adoption of Budget - 5 pm
	TBD	Presentation of draft budget to the Council CFO
DLGF - Gateway Submission	Tuesday, September 1, 2020	Last day for municipal corporations to submit proposed 2021 budgets, tax rates, and tax levies to the County fiscal body or other appropriate fiscal body for binding adoption & Form 3 (Notice to Taxpayers) into Gateway
Indianapolis City County Council Budget Adoption Process	Monday, September 14, 2020	Introduction of Municipal Corporation budgets at Full Council meeting - 7:00 pm
	Thursday, September 17, 2020	Municipal Corporations Budget Hearing - 5:30 pm Room 260
	Wednesday, September 30, 2020	Municipal Corp Committee - Budget Review & Analysis - 5:30 pm Room 260
	Monday, October 12, 2020	City County Council - IPTC Budget Adoption - 7:00 pm
DLGF Budget Process	Monday, November 9, 2020	Last day for units to submit their 2021 budgets, tax rates, and tax levies to the Department through Gateway
	Wednesday, December 16, 2020	Last day for the Department to accept additional appropriation requests for the 2020 Budget year from Unit
DLGF Certification	Thursday, December 31, 2020	The DLGF certifies and issues Form 1782 with 2021 budgets, tax rates, and tax levies.



BASIS OF GOVERNMENTAL FINANCE AND FUND STRUCTURE

Cash Basis of Budgeting

The Agency's annual budget and 5-year forecast are based on the cash method of accounting and exclude non-cash depreciation and amortization expenses. Revenues are budgeted according to what is expected to be collected during the budget year, and expenditures are budgeted according to what is expected to be spent during the fiscal year. The cash basis recognizes revenue when cash is received and recognizes expenses when cash is spent.

Accrual Basis of Accounting

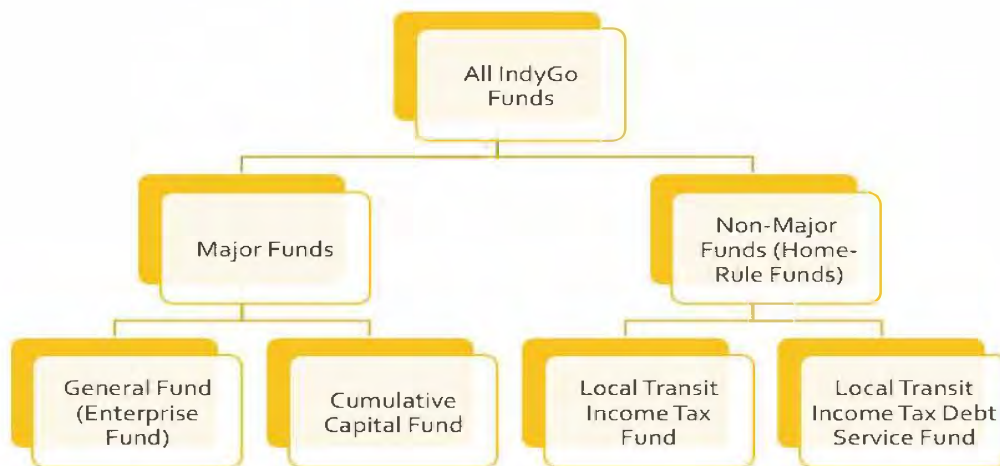
The operations of IPTC are accounted for as an enterprise fund on an accrual basis in accordance with all applicable Governmental Accounting Standards Board (GASB) pronouncements for accounting. The accrual method recognizes transactions and events when they occur, regardless if when cash is received or spent.

Balanced Budget

IPTC prepares a balanced budget on an annual basis. The Budget is balanced when revenues equal expenditures. The IPTC's budget process is governed by many policies and procedures originally adopted by its Board of Directors. The IPTC Board adopts the Budget, tax levy, and the issuance of debt. In addition, the Council approves the budget, tax levy, and issuance of debt.

IndyGo Fund Structure

IPTC's annual budget is divided into several funds. A separate sum of money is appropriated for each fund. Funds are established for special program groups, which usually have specific revenue sources associated with their expenditures.



General Fund

The General Fund is the primary operating fund of IndyGo. The General Fund is used to account for all financial resources with the exception of those required to be accounted for by another fund. The General Fund represents the largest part of the total financial operation of the organization.

Cumulative Capital Fund

The cumulative capital fund is used to fund various capital improvements projects of IndyGo such as facilities, information technology infrastructure, security equipment, coaches etc. This fund is funded through a specific property tax levy.

Local Transit Income Tax Fund

In November 2016, Marion County residents voted 59% in support of new dedicated funding to improve transit service in Indianapolis. The local transit income tax rate of 0.25% funds public transit projects in the county, including operating expenses associated with it.

Local Transit Income Tax Debt Service Fund

Any debt issuance backed by local transit income tax revenue is serviced by this fund.

IndyGo Funds and Departments

IndyGo funds are not dedicated to any particular department(s). The funds are used for their specific spending purpose i.e. operating/general funds for all operating activities by all departments. Capital funds are utilized to fund capital projects or match towards capital projects. Capital projects are summarized at the agency level by expenditure type. Debt service fund is a restricted fund and finance is responsible for making timely debt service payments.

FINANCIAL POLICIES

FUND RESERVE POLICY

IndyGo has a comprehensive Fund Reserve Policy. Key components of the policy are presented here.

Reserves provide a government with options for responding to unexpected issues and a buffer against shocks and other forms of risk. The IndyGo finance department, led by the Chief Financial Officer, manages the maintenance and adherence to approved reserve levels.

IndyGo's policy, which is reviewed bi-annually by the Board of Directors, is to maintain an Operating Fund balance at a minimum level equivalent to 15% of recurring, budgeted operating expenditures.

The fund balance in the Debt Service Fund will be maintained at a level equal to or greater than the total principal and interest payable from that Fund for the upcoming semi-annual debt service payment. This fund balance will also be managed to eliminate or minimize arbitrage rebate liability.

Capital Funds will be held in reserve for infrastructure projects and equipment purchases requiring IndyGo local match.

IndyGo also holds in reserve an average of insurance claims expenditures for the prior three quarters, in order to protect the agency from self-insurance risks.

DEBT POLICY

IndyGo has a comprehensive Debt Management Policy. Key components of the policy are presented here.

IndyGo maintains a debt policy in order to ensure fiscal prudence and to promote long-term financial sustainability. This policy establishes criteria for the acceptable level of indebtedness related to debt issuance, and management of the debt portfolio.

Outlined in the policy are acceptable financial tools for both short- and long-term debt financing. The financing purpose will determine the type of debt that IndyGo will engage in. Short-term debt instruments include line of credit services, tax and revenue anticipation warrants, bond anticipation notes, and commercial paper. General obligation bonds and notes, revenue bonds, and lease financing are options for long-term debt. Where required by statute, this policy adheres to all appropriate debt limits.

Type of Debt	Constitutional Limitation	Statutory Limitation	Policy Limitation
General Obligation (1)	2%	0.67%	0.67%
Revenue	No Limit	No Limit (2)	No Limit

(1) Includes debt payable from local income tax (LIT) revenues. For purposes of this section, IPTC recognizes that the Special Transportation LIT revenues do not count against the debt limitation of IPTC but that of Marion County.

(2) Revenue debt is not limited because no taxing power or general fund pledge is provided as security.

All payment of general obligation bonds and revenue bonds shall be from IndyGo's Debt Service Fund at a level equal to or greater than the total principal and interest payable from that Fund for the upcoming semi-annual debt service payment.

The Chief Financial Officer for IndyGo is responsible for coordinating and analyzing all necessary debt requirements. This includes timing, calculation of outstanding debt and debt limits, as well as current revenue requirements.

CAPITAL ASSET MANAGEMENT POLICY

Annually, along with the development of the Operating Budget, IndyGo will prepare and update a five-year Capital Improvement Program (CIP) analyzing all anticipated capital expenditures, identifying associated funding sources, and future capital expenditures necessitated by changes in the landscape of service needs. Capital improvement projects are defined as facility or equipment purchases or construction which results in a capitalized asset costing more than \$100,000 and having a useful (depreciable life) of three years or more. Also included are major maintenance projects of \$100,000 or more that have a useful life of at least three years. For accounting purposes, the definition of a Capital Improvement Project differs from that of a Capital/Fixed Asset. IPTC will maintain a schedule of individual capital assets with values in excess of \$5,000 and an estimated useful life in excess of three years. All items with an original value of less than \$5,000, or with an estimated useful life of three years or less, will be recorded as operating expenditure.

IndyGo will use the first-year capital program from the adopted CIP as the basis for the capital program to be included in the annual budget. After completion of design of a capital project, cost estimates will be revised. If the cost estimates exceed Delegation of Authority limits, the project will be brought to the Board for reconsideration.

IndyGo will maintain all assets at a level adequate to protect the agency's capital investment and to minimize future maintenance and replacement costs. IndyGo is committed to effectively managing its capital assets and to maintaining its system in a State of Good Repair (SGR) to support safe, efficient, and reliable transit. This management is consistent with federal regulations and sets the direction for establishing and following through with transit asset management strategies and plans that are achievable with available funds.

IndyGo will identify the estimated cost of capital projects and prepare a funding projection that considers revenues and operating costs to be included in the Capital Improvement Program document. IndyGo will determine the most appropriate financing method for all new projects. If appropriate, IndyGo will attempt to maintain a mixed policy of pay-as-you-go and borrowing against future revenues for financing capital projects.

Implementation of the Capital Asset Management Policy is a shared responsibility for all departments within IndyGo, with overall responsibility for oversight and development coming from the President and CEO.

INVESTMENT POLICY

IndyGo has a comprehensive Investment Policy. Key components of the policy are presented here.

The objective of the policy of IndyGo to invest funds in a manner that will provide the highest investment return possible while maintaining the maximum security of the principal and meeting cash flow demands. All investments will conform to the applicable laws and regulations governing the investment of public funds. Investments to be placed with a Financial Institution approved by both the State of Indiana and Marion County Boards of Finance.

The investment objectives of IndyGo are:

- Conform to all applicable legal requirements including, but not limited to, IC 5-13.
- Shall be undertaken in a manner that seeks to preserve capital. At no time should the safety of the portfolio's principal investment be impaired or jeopardized.
- Investment portfolio is to remain sufficiently liquid to enable IPTC to meet those operating requirements that might be reasonably anticipated.
- Yield/Return on investment should generate the highest available return without sacrificing the first 3 objectives outlined above.

Authorized and Suitable Investments include United States Government Securities, Municipal Securities, Money Market Mutual Funds, Repurchase Agreements & Certificates of Deposit

The investing officer may make investments having a stated final maturity for not more than five (5) years after the date of purchase or entry into a repurchase agreement. (IC 5-13-9-5.7). The total outstanding investments with maturity dates past two (2) years must not exceed twenty-five percent (25%) of the total portfolio of public funds invested by IndyGo, including balances in transaction accounts. (IC 5-13-9-5.7) This Investment Policy terminates four (4) years from the date of enactment. However, the policy shall be reviewed, at minimum, annually by the Finance Committee at which time the board may terminate the policy, readopt the policy, or make modifications thereto. Due consideration will be given to new laws or other conditions that impact this policy and any necessary changes may be made to this policy at any time

SIGNIFICANT ASSUMPTIONS - REVENUE

SIGNIFICANT ASSUMPTIONS

OPERATING REVENUES

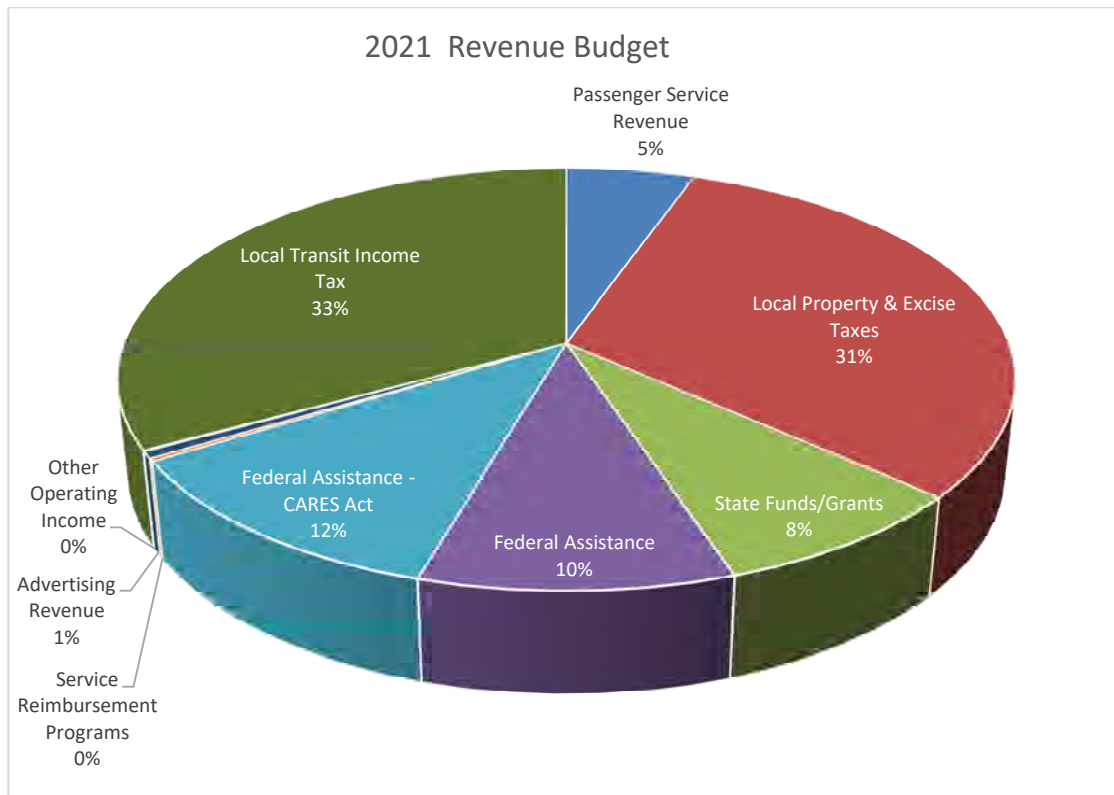
Estimating financial impact on the revenue sources has been very challenging as there are various factors that influence these projections while we are experiencing COVID-19 pandemic. This pandemic has resulted in a swift and large loss of ridership and fare revenue. Fare revenue losses are likely compounded by a decline in local tax revenue particularly property taxes and transit income taxes. While the impact is not fully known at the time of finalizing budgets, IndyGo continues to work with its fiscal partners such as The Department of Local Government Finance (DLGF), City of Indianapolis & Marion County, and the State Budget Agency who provide various revenue estimates to the local units of the government for the next budget year and make necessary adjustments.

- Property, excise and local option income taxes are calculated using the current rules that are in effect. A provision for the impact of the circuit breaker is estimated at \$5.7 million for 2021. It is assumed that IndyGo will collect 97% of the approved tax levies net of the circuit breaker for 2020. As in past years, IndyGo will require a special property tax levy of \$14.8 million to balance the operating budget. It is to be noted that this levy is not imposing any additional burden on the taxpayers.
- The State PMTF revenue is expected to decrease by 13% over 2020's budget as a result of the INDOT holding more on the general fund reserve following the COVID-19 pandemic and the associated revenue uncertainties.
- The Transit Income Tax is expected to have a decline of 10% over 2020's budget. A total of \$53.6 million appropriation out of Transit Income Tax collection is budgeted in IndyGo's proposed budget. IndyGo's proposed 2021 Budget includes utilization of the funding towards operational, capital & debt service expenditure needs.
- Current assumptions hold our Federal Formula Allocation flat with 2020. IndyGo is budgeting its federal 5307 formula money towards preventative maintenance expenditures in its 2021 general fund budget.
- Federal CARES Act funds are expected to support operating and capital expenditures, totaling \$14.1 million in 2021.
- Fare Revenue is one of the hardest hit revenue streams due to the impact of COVID-19 on the ridership declines. The fare revenue for the budget year 2021 is budgeted at 60% of the 2020's level at \$6.4 million.
- Service reimbursement program revenue is expected to remain the same.
- Transit advertising revenue is expected to decrease by 10% over 2020's level.

OPERATING REVENUE

Revenue Sources	Approved 2020 Budget	2021 Adopted Budget	% of Total Revenue	2022 Projected Budget
Passenger Service Revenue	10,631,742	6,379,044	5%	7,016,949
Local Property & Excise Taxes	36,468,936	36,069,630	31%	37,421,561
State Funds/Grants	11,107,800	9,634,315	8%	9,634,315
Federal Assistance	11,590,000	11,358,266	10%	11,422,432
Federal Assistance - CARES Act	-	14,173,048	12%	23,657,720
Service Reimbursement Programs	310,480	265,000	0%	265,000
Advertising Revenue	675,305	607,775	1%	670,000
Other Operating Income	180,000	109,500	0%	119,500
Local Transit Income Tax	40,110,476	38,711,748	33%	30,603,114
Total	\$ 111,074,738	\$ 117,308,326	100%	\$ 120,810,591

Note: Federal transit fund for 2021 includes \$8 million towards preventative expenditure needs.



Operating Revenue Budget Summary - 5 Year Look Ahead

The following table shows 5-year outlook for the Operating Revenue based on the agency's own projections. This table is a helpful tool for the agency to analysis where we would be in 5 years with our revenue and how it compares with our 5-year expenditure outlook at the current service levels. Although Federal CARES Act funds help IndyGo pay expenses currently and in the near future, they are not enough to cover the full cost of responding to the COVID-19 crisis, as well as allow IndyGo to expand services in the coming years.

	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook	2023 Budget Outlook	2024 Budget Outlook	2025 Budget Outlook
Revenues						
Passenger Service Revenue	10,631,742	6,379,044	7,016,949	7,718,644	8,490,509	9,339,560
Service Reimbursement Programs	310,480	265,000	265,000	265,000	265,000	265,000
Advertising Revenue	675,305	607,775	670,000	670,000	670,000	670,000
Other Operating Income	180,000	109,500	119,500	119,500	119,500	119,500
State Funds/Grants	11,107,800	9,634,315	9,634,315	11,000,000	11,000,000	11,000,000
Federal Assistance						
Federal Assistance - CARES Act	-	14,173,048	23,657,720	-	-	-
Federal Assistance - Other	11,590,000	11,358,266	11,422,432	11,487,880	11,554,638	11,622,731
Local Transit Income Tax	40,110,476	38,711,748	30,603,114	28,842,519	29,682,581	30,711,316
Local Property & Excise Taxes	36,468,936	36,069,630	37,421,561	38,920,083	37,757,293	38,929,164
Revenues Total	111,074,739	117,308,326	120,810,591	99,023,626	99,539,521	102,657,271

SIGNIFICANT ASSUMPTIONS - EXPENDITURES

SIGNIFICANT ASSUMPTIONS

EXPENDITURES

- IndyGo made some significant improvements in its service levels in 2019. The Red Line Bus Rapid transit system went live in September 2019. In order to support its current operations, IPTC's 2021 operating budget includes about 5% increase over 2020's budget.
- Personal services show about 4% increase over 2020's budget which includes wage adjustments, healthcare costs increase and retirement costs. Healthcare costs are estimated to grow at a 2% rate. Pension/retirement costs are expected to grow significantly as IndyGo is making some adjustments to the pension plan per the arbitration award between the ATU local and IndyGo.
- Premium Diesel Fuel costs have been budgeted at \$1.70 per gallon for 1.8 million gallons for 2021. Given current market trends on diesel fuel, IPTC has been able to secure next 12-month fuel supply.
- An inter-local cooperation agreement between IndyGo and the City of Indianapolis through its Department of Public Works for implementation of the Marion County Transit Plan will call for an appropriation of \$1.5 million to the City in fulfilling its obligation to make available and maintain the City Infrastructure of Phase 1 of the Red Line.
- Per 5-year Capital plan, IndyGo plans to have a secondary facility for the training purposes. This facility would also serve as the Disaster Recovery Site for the organization. 2021 budget includes maintenance costs related to this secondary facility.
- This budget includes about 30% increase in the security costs to account for the security personnel for the fare enforcement service as well as new training facility.
- Increased cleaning and sanitization efforts on our coaches and facilities account for \$970,865 of 2021's budget.

Budgeted expenditures are organized into three main categories: Personal Services, Materials & Supplies, and Other Services & Charges. The operating expenditures for 2021 are outlined by category in this chart.



PERSONAL SERVICES

IndyGo's largest ongoing annual operating expenditure is Personal Services. Personal Services includes all employee salary and fringe benefits, overtime, payroll taxes and retirement expenses. Budgeted full time equivalent (FTE) staffing for 2021 is 899 positions. Fringe benefit expenses include payments for employee health, vision, and dental insurance. Also included in fringe benefits are payments made for IndyGo's onsite health clinic.

The growth in the Personal Services category is mainly associated with wages and benefits including increased health insurance costs and increased retirement contributions due to recent change in the pension arbitration award.

OTHER SERVICES & CHARGES

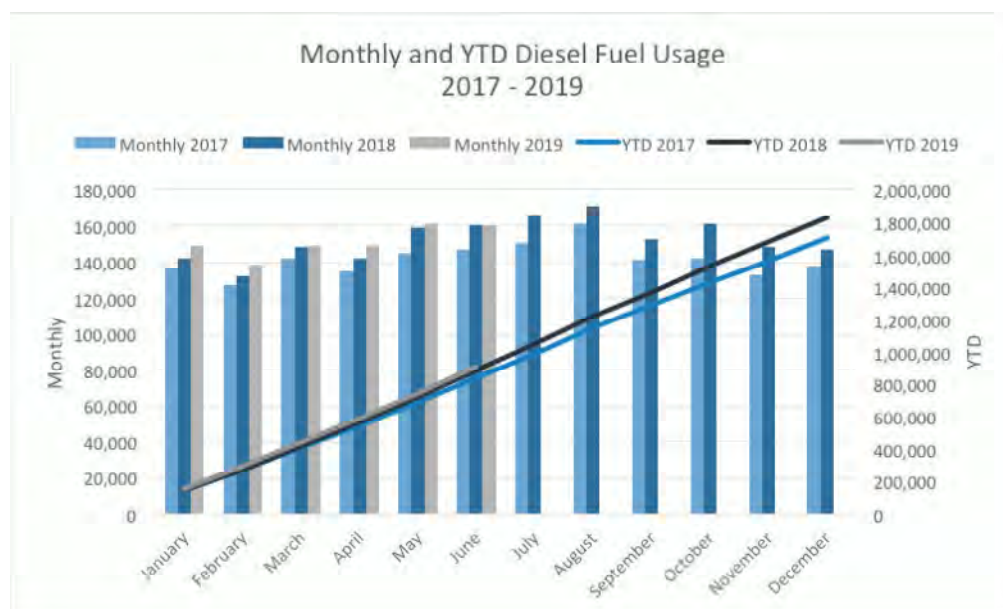
Operating expenditures related to contracted and professional services are the largest components of the Other Services & Charges category. Examples of services for which IndyGo contracts out are: security, facility and bus stop maintenance, landscaping, along with audit and legal services. The largest contracted service expense is for paratransit services.

Professional services are the services provided by third -party vendors or consultants with subject matter expertise and experience in a given area. There are many services, including but not limited to, benefits advisory services, payroll processing services, training and development services etc.

MATERIALS & SUPPLIES

Materials & Supplies are expenses towards items purchased to support IndyGo's operational needs. Fuel (diesel and unleaded), transit vehicle spare parts, as well as tires and tubes comprise the vast majority of these expenditures.

Fuel expenditures are budgeted with an eye on market volatility and to account for IndyGo's changing fleet. Monthly and yearly accumulated diesel fuel usage from 2017 to present are outlined below.



EXPENDITURE BUDGET SUMMARY

Operating Expenditure Budget Summary - 5 Year Look Ahead

The following table shows 5-year outlook for the Operating Expenditures based on the agency's own projections. It is prepared after taking into consideration many factors. Budget projections for the year 2021 and 2022 are based on the budget requests provided by the departments based on the current service levels. The projected budgets for the subsequent years (2023 -2025) assume 3% increase in the overall budget over prior year's budget.

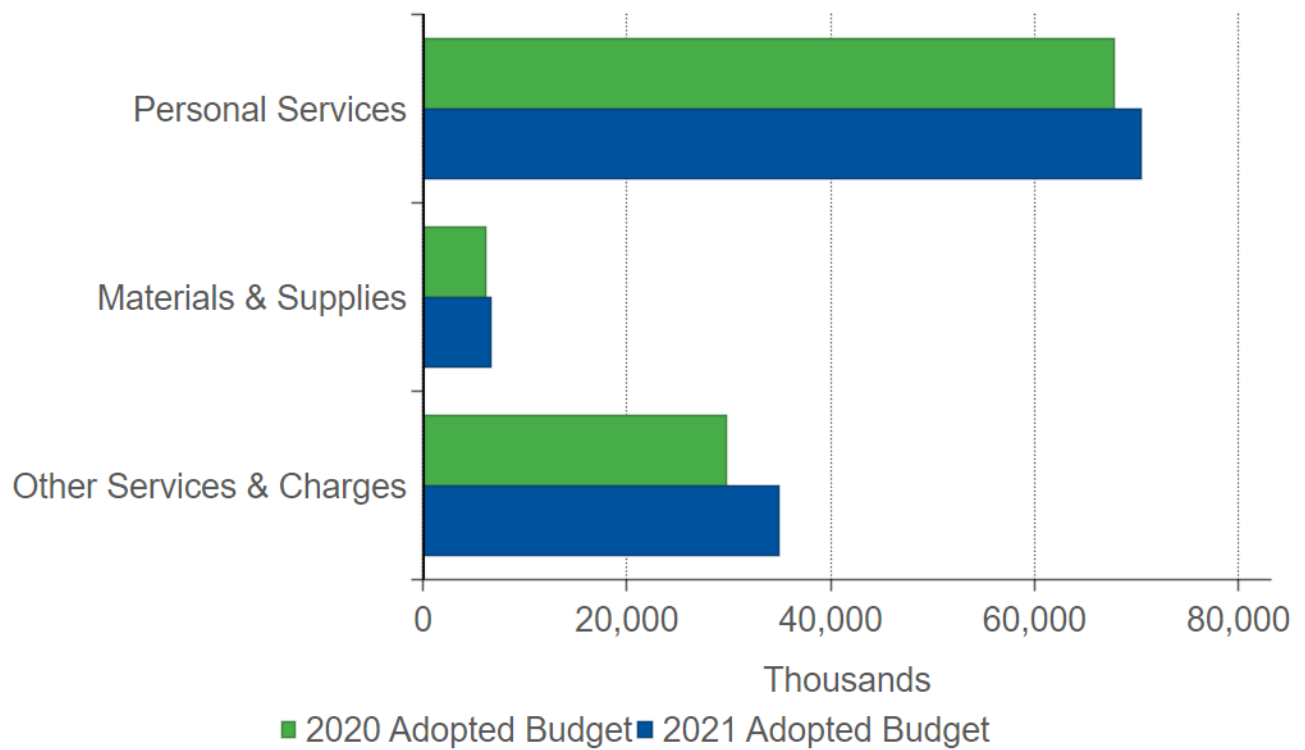
	2019 Actuals	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook	2023 Budget Outlook	2024 Budget Outlook	2025 Budget Outlook
Personal Services							
Wages	38,543,804	49,318,026	50,687,865	52,349,420	53,919,903	55,537,500	57,203,625
Benefits	12,529,930	12,216,529	12,687,456	13,632,507	14,041,482	14,462,726	14,896,608
Other Benefits	1,070,883	1,079,635	1,158,472	1,302,171	1,341,236	1,381,473	1,422,917
Payroll Taxes	3,138,678	3,772,828	3,877,619	4,004,732	4,124,874	4,248,620	4,376,079
Retirement	1,197,427	1,405,000	2,006,000	2,069,450	2,131,534	2,195,480	2,261,344
Personal Services Total	56,480,722	67,792,018	70,417,412	73,358,280	75,559,029	77,825,799	80,160,573
Materials & Supplies							
Fuel	4,470,571	6,179,010	4,018,932	5,758,199	5,930,945	6,108,873	6,292,139
Office Supplies	150,721	206,080	159,577	208,840	215,105	221,558	228,205
Operating Supplies	893,566	438,301	545,659	523,993	539,713	555,904	572,581
Other	384,251	553,231	574,727	614,905	633,352	652,353	671,924
Parts	6,393,666	6,196,869	6,690,220	7,412,780	7,635,163	7,864,218	8,100,145
Materials & Supplies Total	12,292,775	13,573,491	11,989,115	14,518,717	14,954,278	15,402,906	15,864,994
Other Services & Charges							
Contractual Services	19,191,000	21,527,589	24,839,881	26,354,596	27,145,234	27,959,591	28,798,379
Dues and Subscriptions	89,258	78,900	70,660	75,210	77,466	79,790	82,184
Insurance	3,167,606	3,040,505	3,949,775	4,183,500	4,309,005	4,438,275	4,571,423
Other Services	1,117,437	145,107	922,947	1,263,273	1,301,171	1,340,206	1,380,412
Printing and Advertising	702,453	600,300	529,119	767,600	790,628	814,347	838,777
Professional Services	2,324,747	2,076,116	1,786,808	2,006,870	2,067,076	2,129,088	2,192,961
Telephone	281,023	362,564	693,403	737,404	759,526	782,312	805,781
Training and Conferences	270,395	548,150	269,206	708,713	729,974	751,873	774,429
Utilities	1,201,661	1,330,000	1,840,000	2,240,000	2,307,200	2,376,416	2,447,708
Other Services & Charges Total	28,345,580	29,709,231	34,901,799	38,337,166	39,487,280	40,671,898	41,892,054
Grand Total	97,119,077	111,074,740	117,308,326	126,214,163	130,000,587	133,900,603	137,917,621

Budget Comparison by Expenditure Category

The following table shows comparative summary of the budget years 2020 & 2021 by main expenditure account category. The incoming budget shows 5% increase over 2020's budget. This increase is in regard to the wages and benefits expenses, increase in various contractual services such as COVID-19 cleaning and sanitizing efforts, security services, enriched mobility programs, maintenance, upkeep and leases-rental charges as well as other professional and contractual services needed to help move our existing projects forward.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	\$ Variance	% Variance
Personal Services					
Wages	38,543,804	49,318,026	50,687,865	1,369,839	2.8
Benefits	12,529,930	12,216,529	12,687,456	470,927	3.9
Other Benefits	1,070,883	1,079,635	1,158,472	78,837	7.3
Payroll Taxes	3,138,678	3,772,828	3,877,619	104,791	2.8
Retirement	1,197,427	1,405,000	2,006,000	601,000	42.8
Personal Services Total	56,480,722	67,792,018	70,417,412	2,625,394	3.9
Materials & Supplies					
Fuel	4,470,571	6,179,010	4,018,932	(2,160,078)	(35.0)
Office Supplies	150,721	206,080	159,577	(46,503)	(22.6)
Operating Supplies	893,566	438,301	545,659	107,358	24.5
Other	384,251	553,231	574,727	21,496	3.9
Parts	6,393,666	6,196,869	6,690,220	493,351	8.0
Materials & Supplies Total	12,292,775	13,573,491	11,989,115	(1,584,376)	(11.7)
Other Services & Charges					
Contractual Services	19,191,000	21,527,589	24,839,881	3,312,292	15.4
Dues and Subscriptions	89,258	78,900	70,660	(8,240)	(10.4)
Insurance	3,167,606	3,040,505	3,949,775	909,270	29.9
Other Services	1,117,437	145,107	922,947	777,840	536.0
Printing and Advertising	702,453	600,300	529,119	(71,181)	(11.9)
Professional Services	2,324,747	2,076,116	1,786,808	(289,308)	(13.9)
Telephone	281,023	362,564	693,403	330,839	91.2
Training and Conferences	270,395	548,150	269,206	(278,944)	(50.9)
Utilities	1,201,661	1,330,000	1,840,000	510,000	38.3
Other Services & Charges Total	28,345,580	29,709,231	34,901,799	5,192,568	17.5
Grand Total	97,119,077	111,074,740	117,308,326	6,233,586	5.6
Full Time Equivalents	891.5	903.5	899.0	-	-

Budget Comparison by Expenditure Category



Comparative Departmental Budget Summary

Division	Dept. #	Dept. Name	2020 Adopted Budget	2021 Adopted Budget	Variance	% Variance
Executive	09	Board	9,000	9,000	-	- %
	10	Executive	900,521	1,000,748	100,227	11.1 %
	24	Risk & Safety	1,516,631	2,157,553	640,922	42.3 %
	42	Governance & Audit	-	473,664	473,664	- %
			<u>2,426,152</u>	<u>3,640,965</u>	<u>1,214,813</u>	50.1 %
Public Affairs & Communications	11	Public Affairs & Communications	<u>2,860,954</u>	<u>1,502,438</u>	<u>(1,358,516)</u>	(47.5)%
Legal	12	Legal	<u>2,163,040</u>	<u>2,679,113</u>	<u>516,073</u>	23.9 %
Operations	21	Transportation	30,992,646	34,868,628	3,875,982	12.5 %
	23	Training & Security	1,360,540	2,464,246	1,103,706	81.1 %
	25	Mobility Services	13,216,468	14,690,663	1,474,195	11.2 %
	29	Fleet Services	9,638,189	7,684,549	(1,953,640)	(20.3)%
	31	Preventative Maintenance & Repairs	12,544,095	12,262,611	(281,484)	(2.2)%
	33	Facility Maintenance	4,124,861	5,478,967	1,354,106	32.8 %
	45	Carson Transit Center	<u>2,821,576</u>	<u>3,230,180</u>	<u>408,604</u>	14.5 %
			<u>74,698,375</u>	<u>80,679,844</u>	<u>5,981,469</u>	8.0 %
Information Technology	40	Information Technology	<u>3,722,347</u>	<u>3,805,959</u>	<u>83,612</u>	2.2 %
Finance	41	Finance	3,193,009	3,214,944	21,935	0.7 %
	43	Procurement	<u>626,160</u>	<u>615,354</u>	<u>(10,806)</u>	(1.7)%
			<u>3,819,169</u>	<u>3,830,298</u>	<u>11,129</u>	0.3 %
Human Resources	44	Human Resources	<u>17,370,517</u>	<u>17,282,277</u>	<u>(88,240)</u>	(0.5)%
Infrastructure, Strategy, & Innovation	46	Infrastructure, Strategy, & Innovation	<u>4,014,186</u>	<u>3,887,432</u>	<u>(126,754)</u>	(3.2)%
			<u>111,074,740</u>	<u>117,308,326</u>	<u>6,233,586</u>	5.6 %

Comparative Departmental Position Summary

Division	Dept. #	Dept. Name	2020 Adopted Budget	2021 Adopted Budget	Variance	% Variance
Executive	10	Executive	3.0	6.0	3.0	100.0 %
	24	Risk & Safety	5.0	4.0	(1.0)	(20.0)%
	42	Governance & Audit	-	2.0	2.0	- %
			<u>8.0</u>	<u>12.0</u>	<u>4.0</u>	50.0 %
Public Affairs & Communications	11	Public Affairs & Communications	<u>21.0</u>	<u>7.0</u>	<u>(14.0)</u>	(66.7)%
Legal	12	Legal	<u>5.0</u>	<u>5.0</u>	<u>-</u>	- %
Operations	21	Transportation	567.0	581.5	14.5	2.6 %
	23	Training & Security	14.0	14.5	0.5	3.6 %
	25	Mobility Services	7.0	12.0	5.0	71.4 %
	29	Fleet Services	54.5	57.0	2.5	4.6 %
	31	Preventative Maintenance & Repairs	97.0	90.0	(7.0)	(7.2)%
	33	Facility Maintenance	16.0	16.0	-	- %
	45	Carson Transit Center	<u>23.0</u>	<u>20.0</u>	<u>(3.0)</u>	(13.0)%
			<u>778.5</u>	<u>791.0</u>	<u>12.5</u>	1.6 %
Information Technology	40	Information Technology	<u>26.0</u>	<u>25.0</u>	<u>(1.0)</u>	(3.8)%
Finance	41	Finance	26.0	25.0	(1.0)	(3.8)%
	43	Procurement	<u>10.0</u>	<u>9.0</u>	<u>(1.0)</u>	(10.0)%
			<u>36.0</u>	<u>34.0</u>	<u>(2.0)</u>	(5.6)%
Human Resources	44	Human Resources	<u>16.0</u>	<u>13.0</u>	<u>(3.0)</u>	(18.8)%
Infrastructure, Strategy, & Innovation	46	Infrastructure, Strategy, & Innovation	<u>13.0</u>	<u>12.0</u>	<u>(1.0)</u>	(7.7)%
			<u>903.5</u>	<u>899.0</u>	<u>(4.5)</u>	(0.5)%

The following departmental FTE changes are being made for 2021, in order to better align departmental functions and streamline processes throughout the organization.

- Governance & Audit and Inclusion & Workforce Development departments are newly formed and are located within the Executive Division.
- Customer Service staff members have moved from Public Affairs & Communications to Mobility Services, within the Operations Division.
- Service Planning staff members have moved from Infrastructure, Strategy, & Innovation to Transportation, within the Operations Division.

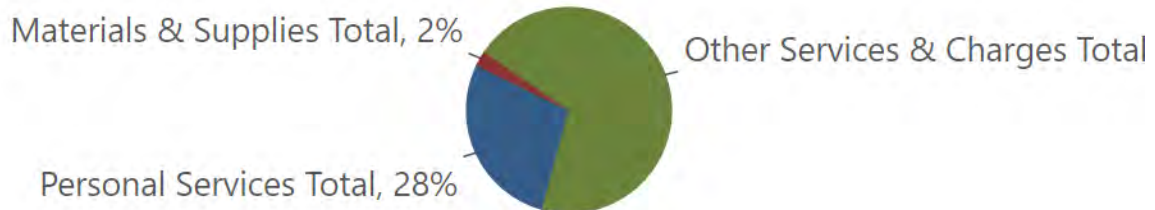
Executive

The CEO and President guides and directs all activities of the Agency. The CEO works collaboratively and closely with the Board to define and implement policy decisions, coordinates inter-agency activities, oversees IndyGo's day-to-day operations in general, and the Risk & Safety, Governance & Audit, and Inclusion & Workforce Development departments in particular.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	545,358	917,302	910,451	912,952
Payroll Taxes	51,318	70,173	69,648	69,840
Personal Services Total	596,676	987,475	980,099	982,792
Materials & Supplies				
Office Supplies	4,066	5,100	11,025	7,425
Operating Supplies	-	26,450	24,951	44,850
Other	-	-	31,551	30,775
Parts	60	-	54,640	1,675
Materials & Supplies Total	4,126	31,550	122,167	84,725
Other Services & Charges				
Contractual Services	117,400	144,394	482,151	534,500
Dues and Subscriptions	56,824	60,000	58,900	61,000
Insurance	-	1,078,505	1,628,275	1,632,000
Other Services	2,304	15,728	29,764	28,864
Printing and Advertising	5,001	8,000	5,500	5,500
Professional Services	84,564	75,000	96,000	96,000
Telephone	1,080	-	5,184	6,912
Training and Conferences	57,685	25,500	232,925	71,390
Other Services & Charges Total	324,858	1,407,127	2,538,699	2,436,166
Grand Total	925,660	2,426,152	3,640,965	3,503,683
Full Time Equivalents	10.0	8.0	12.0	10.0

Executive

Expenses by Category



Budget Analysis:

- Executive Department is now absorbing and managing the Travel, Training & Staff Development, and Meals & Entertainment budgets for the agency.
- Risk & Safety Department includes budget for agency-wide PPE, especially COVID-19 related.
- Governance & Audit Department is newly formed, and contains audit and consulting budgets.
- Increased FTE count over 2020's adopted budget represents staff for new Governance & Audit and Inclusion & Workforce Development departments.

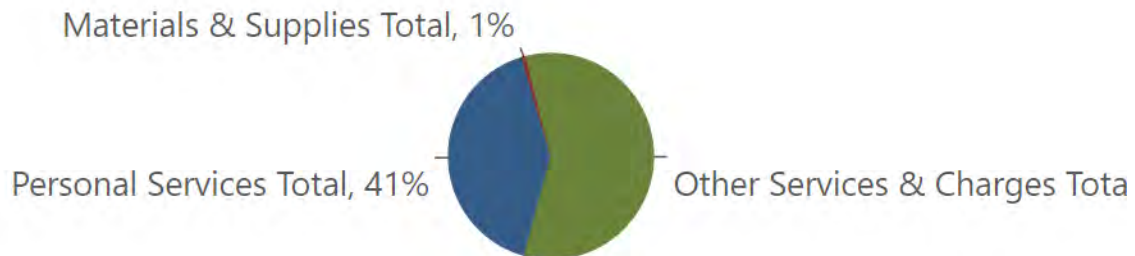
Public Affairs & Communications

Public Affairs facilitate and manage timely employee communication, collaboration, and engagement amongst co-workers. Lead agency decisions and strategy for all outward facing tools and communications. Create and execute strategy and projects that focus on the user experience of riding transit. Assist people that utilize IndyGo services through information, sales, as well as customer concerns and resolutions. Manage long term, measurable mission, vision, values, and goals that inform every decision we make as an organization.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	776,947	1,096,667	578,530	578,530
Payroll Taxes	65,592	83,895	44,258	44,258
Personal Services Total	842,539	1,180,562	622,788	622,788
Materials & Supplies				
Office Supplies	28,125	18,500	10,000	7,000
Operating Supplies	190	1,300	-	-
Other	24,485	2,000	3,000	3,500
Materials & Supplies Total	52,800	21,800	13,000	10,500
Other Services & Charges				
Contractual Services	989,982	748,460	208,650	167,000
Dues and Subscriptions	625	6,000	-	-
Other Services	6,576	4,272	5,000	-
Printing and Advertising	570,868	477,000	470,000	535,000
Professional Services	60,667	407,360	180,000	174,220
Telephone	216	-	1,000	1,000
Training and Conferences	16,417	15,500	2,000	-
Other Services & Charges Total	1,645,351	1,658,592	866,650	877,220
Grand Total	2,540,690	2,860,954	1,502,438	1,510,508
Full Time Equivalents	18.5	21.0	7.0	11.0

Public Affairs & Communications

Expenses by Category



Budget Analysis:

- Contractual services includes website hosting and maintenance, and real time passenger information screen hosting.
- Oversight of IndyGo's customer service center contract has been moved to the Mobility Services department. This move results in a decrease in FTEs and contractual services for Public Affairs & Communications in 2021.
- Advertising expenses cover ad placement for employee hiring and general awareness. Printing includes costs to produce route maps, public meeting materials, and sales pieces for larger scale partnerships.

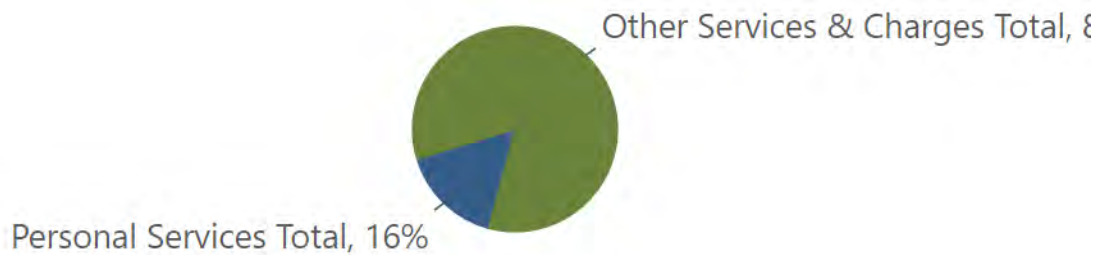
Legal

In-house counsel addresses and resolves all legal and regulatory matters of federal and state compliance, transactional matters and day to day operational issues. IndyGo utilizes a legal panel of firms throughout the area secured through a competitive procurement process for representation in essentially some broad areas of practice and litigation such as general business and advice, personal injury defense, labor/employment law, real estate acquisition, collections, environmental regulations, workers compensation, trademark and copyright matters, governmental funding & taxations, construction law and miscellaneous matters as they arise.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	289,662	405,704	455,005	455,005
Payroll Taxes	25,007	31,036	34,808	34,808
Personal Services Total	314,669	436,740	489,813	489,813
Materials & Supplies				
Office Supplies	3,739	-	1,500	-
Other	-	1,800	1,800	-
Materials & Supplies Total	3,739	1,800	3,300	-
Other Services & Charges				
Contractual Services	57,362	104,500	132,000	140,000
Dues and Subscriptions	19	1,500	2,000	2,000
Insurance	1,929,023	1,200,000	1,500,000	1,750,000
Other Services	(134,824)	(130,000)	(130,000)	-
Professional Services	715,823	530,000	677,000	652,000
Training and Conferences	8,784	18,500	5,000	14,000
Other Services & Charges Total	2,576,187	1,724,500	2,186,000	2,558,000
Grand Total	2,894,595	2,163,040	2,679,113	3,047,813
 Full Time Equivalents	 4.5	 5.0	 5.0	 5.0

Legal

Expenses by Category



Budget Analysis:

- Attorney litigation and arbitration expenses fall under the legal department's professional services budget.
- Auto liability and third party administration fees have been moved to the Risk & Safety department

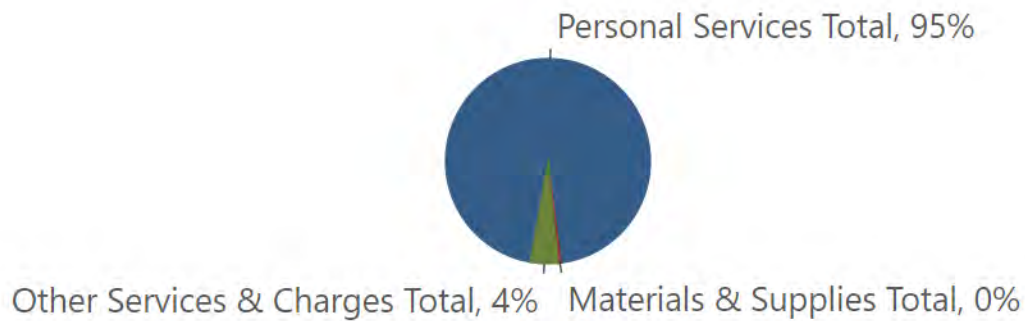
Transportation

Fixed route transportation is responsible for delivering all fixed route and bus rapid transit service seven days a week. This includes operators, supervisors, radio room, management of the Julia M. Carson Transit Center, and scheduling.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	22,083,412	28,459,750	30,907,623	32,584,768
Other Benefits	275,157	247,400	228,800	319,300
Payroll Taxes	1,777,519	2,177,171	2,364,433	2,492,735
Personal Services Total	24,136,088	30,884,321	33,500,856	35,396,803
Materials & Supplies				
Office Supplies	21,006	28,000	30,100	54,469
Operating Supplies	946	-	-	-
Other	9,882	4,200	16,000	59,992
Parts	2,119	4,000	14,388	59,027
Materials & Supplies Total	33,953	36,200	60,488	173,488
Other Services & Charges				
Contractual Services	452,432	-	448,868	534,115
Dues and Subscriptions	-	-	500	500
Insurance	353	-	-	-
Other Services	10,050	27,125	798,500	917,822
Printing and Advertising	157	-	500	1,500
Professional Services	2,700	-	15,400	29,900
Telephone	432	-	38,016	54,432
Training and Conferences	17,169	45,000	5,500	97,593
Other Services & Charges Total	483,293	72,125	1,307,284	1,635,862
Grand Total	24,653,334	30,992,646	34,868,628	37,206,153
 Full Time Equivalents	 562.5	 567.0	 581.5	 640.5

Transportation

Expenses by Category



Budget Analysis:

- Personal services in Transportation include salary, benefits, and overtime for IndyGo's Professional Coach Operators.
- Driver's license fees are budgeted in other services and charges.
- Service Planning staff and contractual services have been moved to Transportation, from Infrastructure, Strategy, & Innovation.
- Indianapolis Public Transit Foundation budget is housed in Transportation.
- Rental and maintenance costs for IndyGo's College Avenue facility is included in Leases & Rentals.

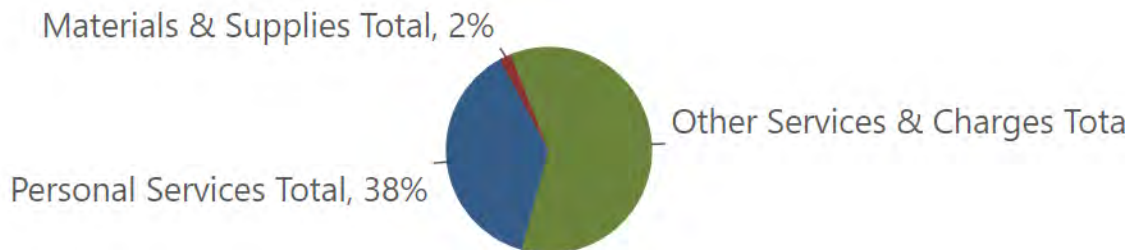
Carson Transit Center

Carson Transit Center staff is responsible for the daily operations of the Julia M. Carson Transit Center. The Carson Transit Center acts as a downtown hub for IndyGo's fixed route services, and requires utilities and security budgets to maintain operation.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	891,538	1,223,946	1,166,512	1,167,786
Other Benefits	-	-	5,000	5,000
Payroll Taxes	70,663	93,631	89,239	89,336
Personal Services Total	<u>962,201</u>	<u>1,317,577</u>	<u>1,260,751</u>	<u>1,262,122</u>
Materials & Supplies				
Office Supplies	1,189	36,000	21,000	36,000
Operating Supplies	7,344	1,000	1,000	1,000
Parts	5,666	10,000	17,000	24,900
Materials & Supplies Total	<u>14,199</u>	<u>47,000</u>	<u>39,000</u>	<u>61,900</u>
Other Services & Charges				
Contractual Services	1,408,482	1,384,998	1,855,429	1,922,978
Dues and Subscriptions	132	-	-	-
Other Services	1,123	2,000	-	-
Printing and Advertising	100	-	-	-
Professional Services	35,453	-	-	-
Training and Conferences	471	5,000	-	-
Utilities	52,626	65,000	75,000	75,000
Other Services & Charges Total	<u>1,498,387</u>	<u>1,456,998</u>	<u>1,930,429</u>	<u>1,997,978</u>
Grand Total	<u>2,474,787</u>	<u>2,821,575</u>	<u>3,230,180</u>	<u>3,322,000</u>
 Full Time Equivalents	 <u>21.0</u>	 <u>23.0</u>	 <u>20.0</u>	 <u>20.0</u>

Carson Transit Center

Expenses by Category



Budget Analysis:

- Contractual services includes the CTC's maintenance, repairs, and inspection costs. This also includes deep cleaning and general sanitizing and disinfecting, due to the large volume of people who pass through the facility each day. Increased sanitization efforts in response to the COVID-19 pandemic are expected for 2021.
- Sewer, water, electricity, and natural gas expenses are budgeted in the utilities line item.

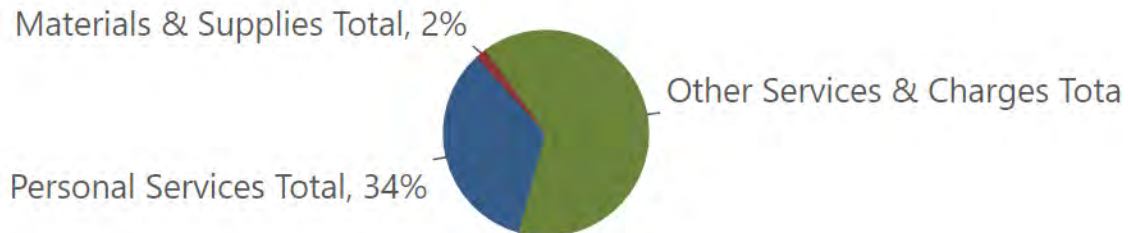
Training & Security

Training & Security facilitates all training for incoming and current professional coach operators. It also facilitates training for employment recruits seeking commercial driver licensing (CDL). Security staff ensures the agency adheres to FTA regulations for safety and security at the Julia M. Carson Transit Center, at Headquarters, and on all vehicles.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	1,392,046	201,439	882,980	882,980
Payroll Taxes	112,794	15,410	67,548	67,548
Personal Services Total	1,504,840	216,849	950,528	950,528
Materials & Supplies				
Office Supplies	14,066	8,550	7,680	14,066
Operating Supplies	33,707	35,850	8,625	16,506
Other	380	3,100	12,251	1,600
Parts	7,450	-	19,040	16,075
Materials & Supplies Total	55,603	47,500	47,596	48,247
Other Services & Charges				
Contractual Services	855,646	1,082,191	1,419,084	1,583,996
Dues and Subscriptions	1,025	-	-	-
Other Services	65,988	-	34,651	61,200
Printing and Advertising	2,527	-	10,209	33,510
Professional Services	1,912	-	-	-
Telephone	648	-	868	868
Training and Conferences	8,254	14,000	1,310	107,615
Other Services & Charges Total	936,000	1,096,191	1,466,122	1,787,189
Grand Total	2,496,443	1,360,540	2,464,246	2,785,964
 Full Time Equivalents	 14.0	 14.0	 14.5	 14.5

Training & Security

Expenses by Category



Budget Analysis:

- IndyGo's contract for security services include fare enforcement services and security at the 1501 West Washington Street facility. Fare inspector rates are set in line with industry standards.
- Fixed Route Training Instructors are included in the Training & Security Department.

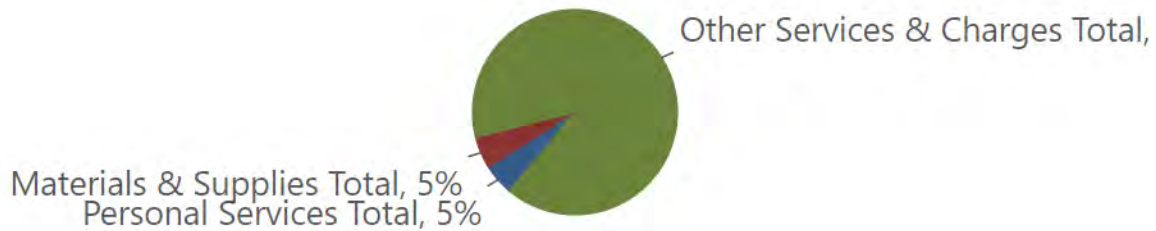
Mobility Services

Mobility Services provides county-wide paratransit services, in adherence to all federally mandated ADA guidelines and requirements. This is a reservation and application-based service for all eligible paratransit riders within IndyGo's service area. This department also manages the contract for paratransit eligibility assessment services and facilitates collaborations for alternative mobility options.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	369,591	439,235	701,615	701,615
Payroll Taxes	31,662	33,602	53,673	53,674
Personal Services Total	401,253	472,837	755,288	755,289
Materials & Supplies				
Fuel	359,970	697,126	633,119	747,778
Office Supplies	3,128	4,000	3,000	6,000
Operating Supplies	292	3,000	3,236	3,334
Other	2,082	-	(1,800)	-
Parts	-	12,000	12,000	15,675
Materials & Supplies Total	365,472	716,126	649,555	772,787
Other Services & Charges				
Contractual Services	11,722,496	12,000,705	13,270,980	13,835,524
Other Services	1,856	7,000	7,210	8,626
Printing and Advertising	-	300	6,310	6,490
Professional Services	35,993	1,500	-	10,000
Telephone	432	-	1,320	1,320
Training and Conferences	4,038	18,000	-	9,000
Other Services & Charges Total	11,764,815	12,027,505	13,285,820	13,870,960
Grand Total	12,531,540	13,216,468	14,690,663	15,399,036
 Full Time Equivalents	 7.0	 7.0	 12.0	 12.0

Mobility Services

Expenses by Category



Budget Analysis:

- Contractual services cover the agreement with IndyGo's vendor to provide on-demand paratransit services, as well as the procurement of taxi vouchers.
- IndyGo provides fuel for all paratransit vehicles and is included in Mobility Services' budget. Changes in this fleet's makeup have shifted spending towards unleaded fuel, away from diesel.
- The budget for staffing at IndyGo's customer service center is now under the management of Mobility Services, which was previously a line item in Public Affairs & Communications.

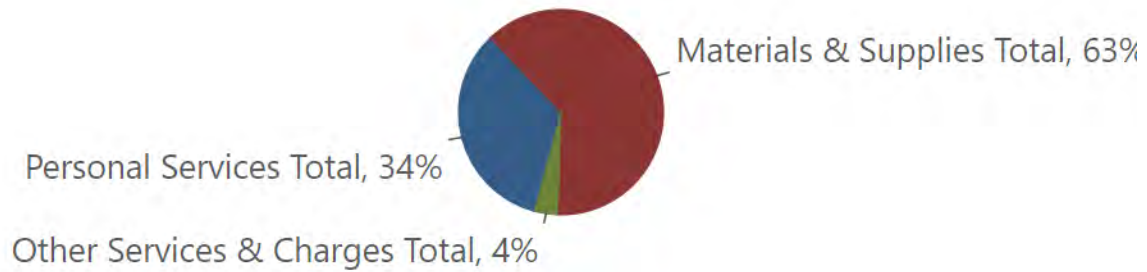
Fleet Services

Fleet Services department is responsible for daily storage, fueling, cleaning and washing, charging, and billing out of IndyGo's fleet. It also facilitates IndyGo's vehicle replacement strategy and manages IndyGo's inventory warehouse.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	2,153,592	2,734,378	2,896,260	2,891,331
Other Benefits	9,234	35,985	39,845	45,822
Payroll Taxes	179,737	209,180	221,564	221,187
Personal Services Total	2,342,563	2,979,543	3,157,669	3,158,340
Materials & Supplies				
Fuel	4,001,290	5,416,384	3,296,271	4,921,016
Office Supplies	14,327	17,646	14,327	14,757
Operating Supplies	14,700	33,241	36,232	39,325
Other	11,688	27,214	14,000	3,500
Parts	753,342	994,305	830,294	876,545
Materials & Supplies Total	4,795,347	6,488,790	4,191,124	5,855,143
Other Services & Charges				
Contractual Services	107,695	139,855	311,607	306,996
Insurance	(345)	-	-	-
Other Services	14,713	10,000	21,921	23,529
Professional Services	79,800	-	-	-
Telephone	-	-	1,728	2,592
Training and Conferences	410	20,000	500	7,925
Other Services & Charges Total	202,273	169,855	335,756	341,042
Grand Total	7,340,183	9,638,188	7,684,549	9,354,525
 Full Time Equivalents	 42.5	 54.5	 57.0	 57.0

Fleet Services

Expenses by Category



Budget Analysis:

- The budget for IndyGo's diesel fuel used in fixed route operations is budgeted with Fleet Services & Inventory Control. Fleet Services also maintains an unleaded fuel budget for its support vehicles.
- IndyGo has secured a 12-month fixed price contract with its diesel fuel vendor, in order to reduce the risk associated with a volatile fuel market.

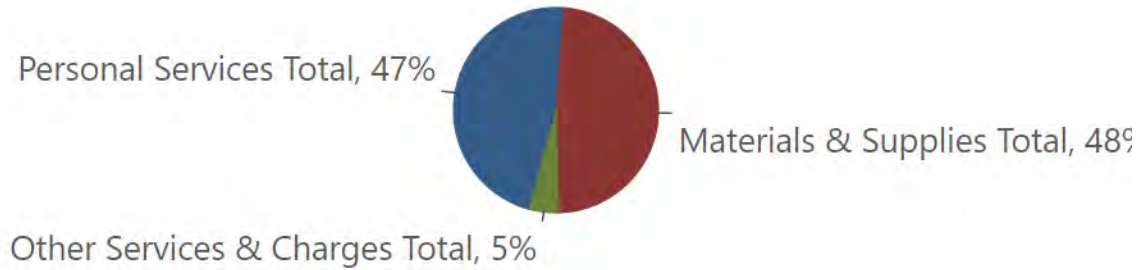
Preventative Maintenance & Repairs

Preventative Maintenance & Repairs department is responsible for all IndyGo revenue and non-revenue fleet maintenance. This includes all preventative maintenance, defect repairs, and collision work.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	4,750,978	6,271,800	5,495,270	5,481,482
Other Benefits	173,302	183,750	218,727	246,249
Payroll Taxes	387,232	479,792	420,388	419,333
Personal Services Total	5,311,512	6,935,342	6,134,385	6,147,064
Materials & Supplies				
Fuel	107,511	52,499	76,542	76,405
Office Supplies	10,456	9,713	10,000	21,640
Operating Supplies	20,568	46,060	39,115	43,228
Other	6,451	34,115	74,500	23,863
Parts	5,346,909	4,911,564	5,472,358	6,147,883
Materials & Supplies Total	5,491,895	5,053,951	5,672,515	6,313,019
Other Services & Charges				
Contractual Services	278,375	519,377	383,708	411,696
Other Services	58,104	13,674	63,699	79,982
Professional Services	689	-	-	-
Telephone	864	-	5,184	7,776
Training and Conferences	7,469	21,750	3,120	96,070
Other Services & Charges Total	345,501	554,801	455,711	595,524
Grand Total	11,148,908	12,544,094	12,262,611	13,055,607
 Full Time Equivalents	 108.0	 97.0	 90.0	 90.0

Preventative Maintenance & Repairs

Expenses by Category



Budget Analysis:

- IndyGo's inventory of replacement vehicle parts and tires comprise the entirety of the parts budget for Preventative Maintenance & Repairs. A growing fleet of newer vehicles, especially electric, has resulted in greater budget needs.

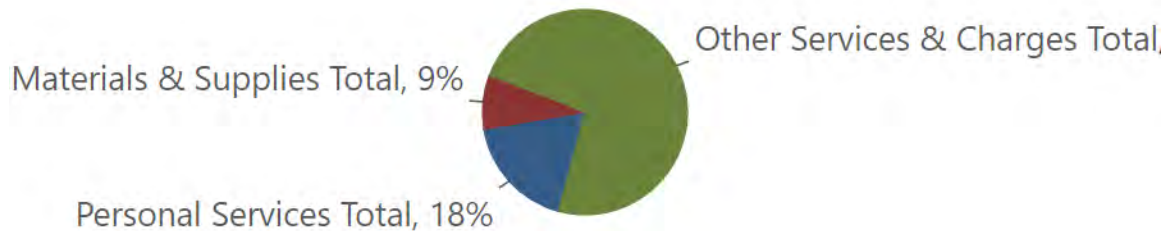
Facility Maintenance

Facility Maintenance department is responsible for daily cleaning, maintenance and repairs of IndyGo facilities including its headquarters, transit center, bus stop amenities, BRT stations and grounds.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	787,076	913,944	966,622	966,622
Other Benefits	2,803	7,500	10,000	10,000
Payroll Taxes	65,401	69,917	73,946	73,947
Personal Services Total	855,280	991,361	1,050,568	1,050,569
Materials & Supplies				
Fuel	1,740	13,000	13,000	13,000
Office Supplies	2,816	10,000	10,000	10,000
Operating Supplies	592,839	83,500	201,000	201,000
Parts	272,247	220,000	270,000	270,000
Materials & Supplies Total	869,642	326,500	494,000	494,000
Other Services & Charges				
Contractual Services	1,230,256	1,527,000	2,153,499	2,053,500
Other Services	216	5,000	5,000	5,000
Professional Services	3,412	10,000	10,000	10,000
Telephone	804	-	900	900
Training and Conferences	1,550	-	-	2,000
Utilities	1,149,035	1,265,000	1,765,000	2,165,000
Other Services & Charges Total	2,385,273	2,807,000	3,934,399	4,236,400
Grand Total	4,110,195	4,124,861	5,478,967	5,780,969
 Full Time Equivalents	 14.0	 16.0	 16.0	 16.0

Facility Maintenance

Expenses by Category



Budget Analysis:

- Contractual services include contracts for facilities and bus stop maintenance, landscaping, and snow removal. Also included is general cleaning, sanitizing, and disinfecting of IndyGo facilities. This line item is budgeted to absorb additional costs related to COVID-19 pandemic response in 2021.
- Sewer, water, electricity, and natural gas expenses are budgeted in the utilities line item.
- Utilities and maintenance expenses for new BRT stations represents a portion of the increased budget amount for Other Services & Charges.

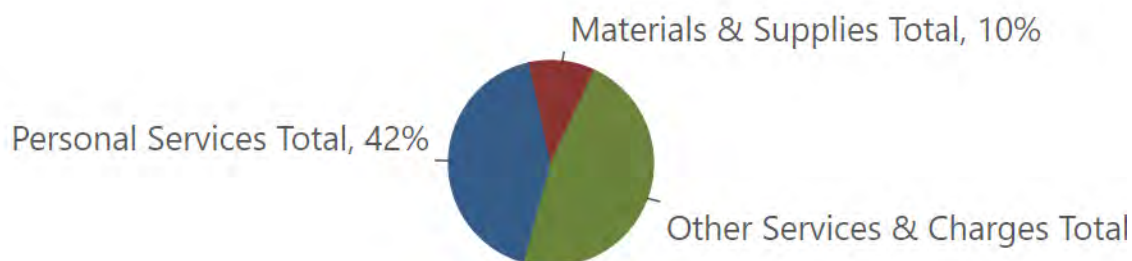
Information Technology

Information Technology department provides cost-effective and efficient enterprise products, services and solutions within a secure and reliable environment for IndyGo through strategic planning, standards and policies, fiscal responsibility, architecture and oversight. It monitors and manages tech incidents, enterprise technology platforms, IndyGo Fleet CAD/AVL equipment, vehicle communications, and vehicle camera systems.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	983,572	1,486,891	1,736,346	1,736,346
Other Benefits	1,447	-	-	-
Payroll Taxes	84,613	113,747	132,830	132,831
Personal Services Total	<u>1,069,632</u>	<u>1,600,638</u>	<u>1,869,176</u>	<u>1,869,177</u>
Materials & Supplies				
Fuel	60	-	-	-
Office Supplies	14,250	34,870	7,645	5,583
Operating Supplies	1,371	55,550	5,500	5,500
Other	266,030	470,803	375,925	444,675
Parts	5,537	44,000	-	-
Materials & Supplies Total	<u>287,248</u>	<u>605,223</u>	<u>389,070</u>	<u>455,758</u>
Other Services & Charges				
Contractual Services	685,786	886,567	809,575	1,176,891
Other Services	3,419	3,300	8,800	9,900
Professional Services	417,603	222,255	100,375	171,875
Telephone	275,035	362,564	628,963	653,756
Training and Conferences	3,701	41,800	-	67,100
Other Services & Charges Total	<u>1,385,544</u>	<u>1,516,486</u>	<u>1,547,713</u>	<u>2,079,522</u>
Grand Total	<u>2,742,424</u>	<u>3,722,347</u>	<u>3,805,959</u>	<u>4,404,457</u>
 Full Time Equivalents	 <u>20.5</u>	 <u>26.0</u>	 <u>25.0</u>	 <u>25.0</u>

Information Technology

Expenses by Category



Budget Analysis:

- Hardware to support IndyGo's information technology needs is located in IT's materials and supplies budget. This includes items for maintenance of vehicle CAD/AVL and communications equipment.
- Software licensing and other subscription fees are all considered contractual services in this budget.
- IndyGo's internet and cellular services is included in IT's telephone budget. This includes services for both Fixed Route and Mobility Services.

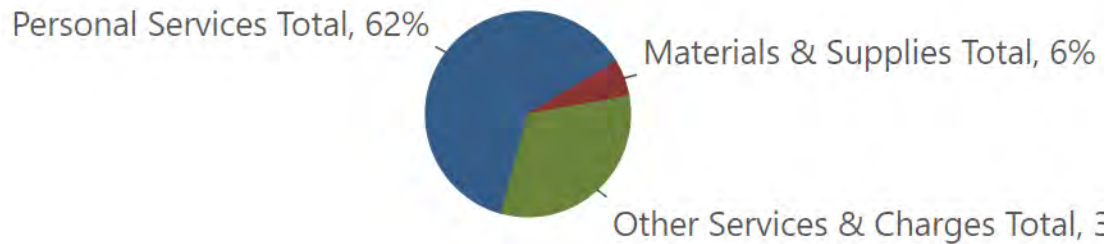
Finance

Finance department plans, allocates and manages the agency's financial resources, programs and priorities, as well as monitors its financial condition and ensures fiscal integrity. The budget office is responsible for formulating the annual financial plan, financial reporting, and grants management. The accounting office manages payroll, accounts payable, accounts receivable, treasury management, liquidity management, and revenue collections. Finance is responsible for agency-wide procurements as well as managing the Disadvantage Business Enterprise (DBE) program.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	1,664,896	2,145,164	2,177,992	2,177,992
Other Benefits	6,282	5,000	6,100	6,300
Payroll Taxes	132,452	164,105	166,615	166,616
Personal Services Total	1,803,630	2,314,269	2,350,707	2,350,908
Materials & Supplies				
Office Supplies	11,577	20,200	16,600	15,000
Operating Supplies	192,703	136,500	222,500	161,500
Other	26,839	5,000	42,000	42,000
Parts	330	1,000	500	1,000
Materials & Supplies Total	231,449	162,700	281,600	219,500
Other Services & Charges				
Contractual Services	589,647	1,120,000	1,098,600	1,074,600
Dues and Subscriptions	4,434	3,500	4,880	4,880
Insurance	413,401	4,500	1,500	1,500
Other Services	1,050,370	111,100	10,451	10,950
Printing and Advertising	11,539	22,500	11,500	11,500
Professional Services	452,322	50,000	58,125	69,375
Telephone	432	-	5,184	5,184
Training and Conferences	25,461	30,600	7,751	29,570
Other Services & Charges Total	2,547,606	1,342,200	1,197,991	1,207,559
Grand Total	4,582,685	3,819,169	3,830,298	3,777,967
 Full Time Equivalents	 36.0	 36.0	 34.0	 36.0

Finance

Expenses by Category



Budget Analysis:

- Banking fees, armored car service, and payroll fees make up Finance's contractual services budget.
- Replacement parts needed for farebox repairs make up Finance's operating supplies budget. The increase in fleet size as well as the addition of ticket vending machines requires additional budget for 2021.

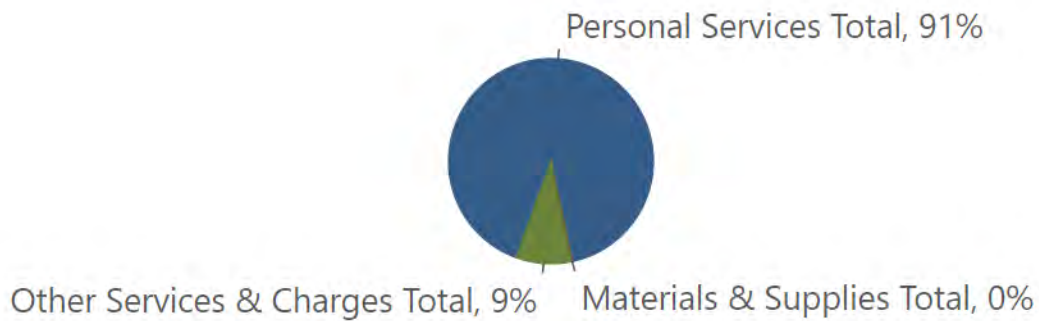
Human Resources

Human Resources department is to support the mission, goals and objectives of the entire organization; provide policies and programs in support of the organization to acquire, train/develop, manage, reward and ultimately retain human capital and ensure federal, state and local regulatory compliance related to all terms and conditions of employment. Provide guidance, policies and programs in the area of labor/employee relations, organizational development, classification and compensation, staffing and recruitment, benefits, retirement and drug and alcohol compliance.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	679,783	1,583,269	806,104	805,455
Benefits	12,529,930	12,216,529	12,687,456	13,632,507
Other Benefits	602,657	600,000	650,000	669,500
Payroll Taxes	58,554	121,120	61,667	61,617
Retirement	1,197,427	1,405,000	2,006,000	2,069,450
Personal Services Total	15,068,351	15,925,918	16,211,227	17,238,529
Materials & Supplies				
Office Supplies	16,970	12,500	12,500	12,500
Operating Supplies	5,413	15,750	3,500	7,750
Other	30,901	-	-	-
Parts	6	-	-	-
Materials & Supplies Total	53,290	28,250	16,000	20,250
Other Services & Charges				
Contractual Services	72,953	189,850	151,642	467,000
Dues and Subscriptions	25,639	6,500	2,000	3,250
Insurance	780,102	757,500	820,000	800,000
Other Services	34,857	21,500	17,000	16,300
Printing and Advertising	7,807	92,500	25,000	174,000
Professional Services	100,322	115,000	34,908	23,500
Telephone	432	-	2,500	-
Training and Conferences	97,525	233,500	2,000	181,250
Other Services & Charges Total	1,119,637	1,416,350	1,055,050	1,665,300
Grand Total	16,241,278	17,370,518	17,282,277	18,924,079
Full Time Equivalents	14.0	16.0	13.0	13.0

Human Resources

Expenses by Category



Budget Analysis:

- Workers' compensation and unemployment insurance are paid from Human Resource's insurance budget.
- Healthcare related fringe benefits for IndyGo employees include medical, dental, and vision coverage. Onsite at IndyGo Headquarters is a health clinic, which is free for employees and their families. The organizational costs for these benefits are budgeted here. Also included in HR's benefits budget is drug and alcohol testing, required by the FTA.
- Recent changes to IndyGo's pension plan have increased retirement benefits for 2021.

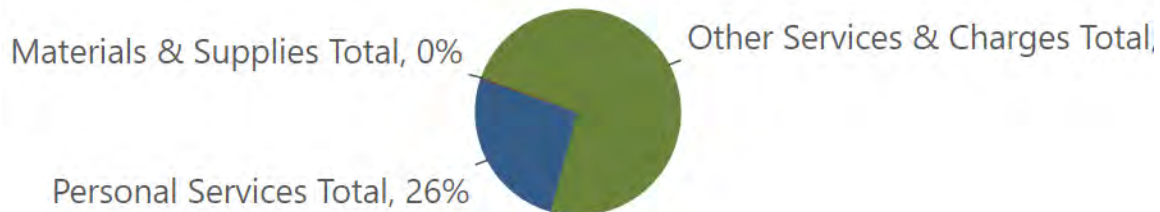
Infrastructure, Strategy, & Innovation

Infrastructure, Strategy, & Innovation responsibilities include design and construction of all capital projects, bus stop design, fare system implementation, development of operating plans, environmental studies, grant applications, innovative mobility partnerships (with public affairs), land use/transit-oriented development, statistical analysis, and long-range & financial planning.

	2019 Actual	2020 Adopted Budget	2021 Adopted Budget	2022 Budget Outlook
Personal Services				
Wages	1,175,354	1,438,538	1,006,555	1,006,556
Payroll Taxes	96,135	110,048	77,002	77,002
Personal Services Total	<u>1,271,489</u>	<u>1,548,586</u>	<u>1,083,557</u>	<u>1,083,558</u>
Materials & Supplies				
Office Supplies	5,006	1,000	4,200	4,400
Operating Supplies	23,492	100	-	-
Other	5,515	5,000	5,500	5,000
Materials & Supplies Total	<u>34,013</u>	<u>6,100</u>	<u>9,700</u>	<u>9,400</u>
Other Services & Charges				
Contractual Services	622,489	1,679,693	2,114,088	2,145,800
Dues and Subscriptions	560	1,400	2,380	3,580
Insurance	45,072	-	-	-
Other Services	2,686	54,408	50,951	101,100
Printing and Advertising	104,455	-	100	100
Professional Services	333,487	665,000	615,000	770,000
Telephone	648	-	2,556	2,664
Training and Conferences	21,461	59,000	9,100	25,200
Other Services & Charges Total	<u>1,130,858</u>	<u>2,459,501</u>	<u>2,794,175</u>	<u>3,048,444</u>
Grand Total	<u>2,436,360</u>	<u>4,014,187</u>	<u>3,887,432</u>	<u>4,141,402</u>
 Full Time Equivalents	 <u>19.0</u>	 <u>13.0</u>	 <u>12.0</u>	 <u>12.0</u>

Infrastructure, Strategy, & Innovation

Expenses by Category



Budget Analysis:

- Service Planning staff, previously located in Infrastructure, Strategy, & Innovation, have been moved to Transportation, resulting in decreased Personal Services for 2021.
- Professional and consulting services for signal design, timing, and network services is a new budget item in 2021.
- Contractual services includes on-call planning advisory services and program management support services. Also included is the Red Line's operations and management costs to the Department of Public Works.

INCOME TAX REVENUE FUND

Income Tax Revenue Fund

REVENUES - WHERE THE MONEY COMES FROM

In November 2016, Marion County residents voted 59% in support of new dedicated funding to improve transit service in Indianapolis. The public question that appeared on the ballot described the purpose of the income tax increase, up to 0.25%, dedicated for these transit improvements:

- Create a connected network of buses and rapid transit lines.
- Increase service frequency.
- Extend operation hours.
- Implement three new rapid transit lines.

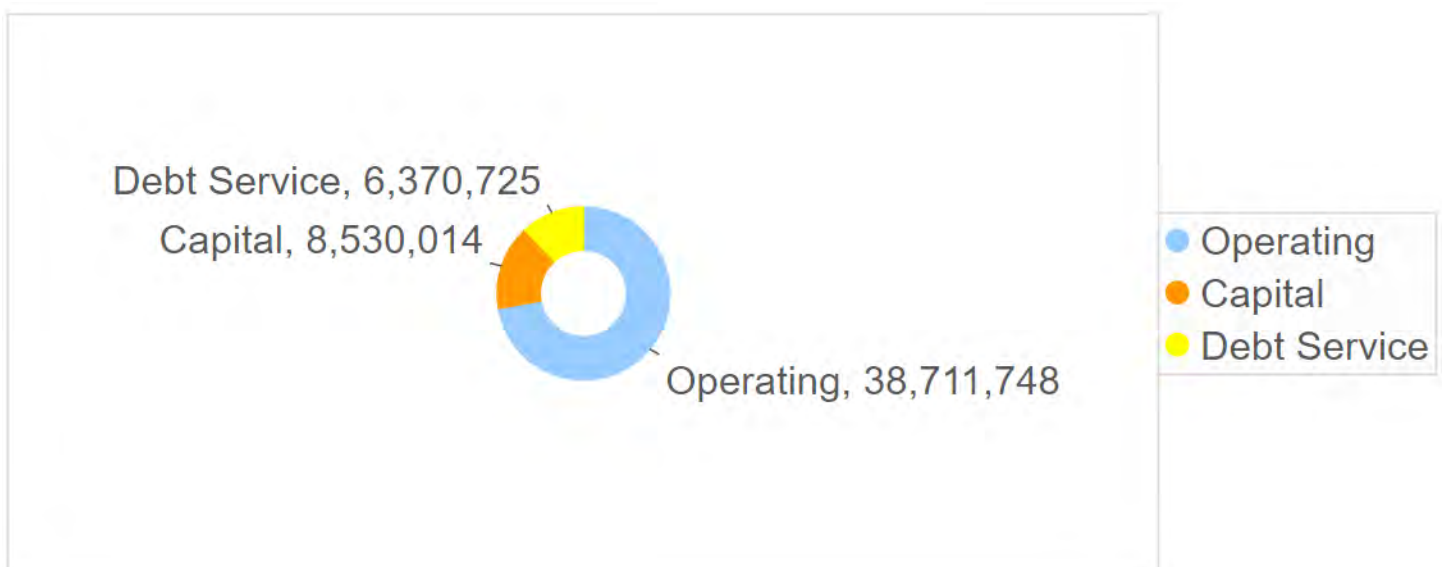
The Statute allows IPTC purchase, establish, operate, repair, or maintain the public transportation project if the public transportation project is located, either entirely or partially, within the eligible county.

Appropriations out of the Transit Income Tax are expected to be \$53.6 million for 2021.

USES OF REVENUE - WHERE THE MONEY GOES

The following chart represents IPTC's plan for the utilization of the 2021 Income Tax Revenue Funding at a \$117.3 million operating budget, Capital budget and debt service budget.

	2021	2022
Operating	\$ 38,711,748	\$ 30,603,114
Capital	8,530,014	11,268,774
Debt Service	6,370,725	6,379,350
Total Local Transit Income Tax	\$ 53,612,487	\$ 48,251,238



DEBT SERVICE

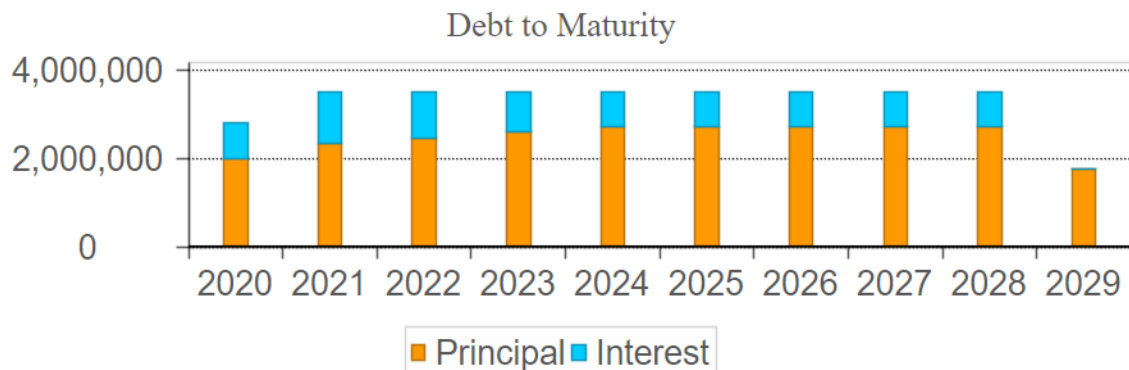
Debt Service Fund

On February 22, 2018, the Board of Directors of the Indianapolis Public Transportation Corporation (IPTC) passed Ordinance No. 2018-01, which authorized the issuance of the Qualified Obligations for the purpose of providing funds to finance the costs of certain public transportation projects within the City and County. On August 13, 2018, the City-County Council (1) approved the issuance of the Qualified Obligations by IPTC and (2) pledged by Fiscal Ordinance No. 227, 2018, and pursuant to IC 8-25-3-7 and IC 5-1-14-4, the Transportation LIT Revenues to IndyGo for the payment of principal of and interest on the Qualified Obligations and, if necessary, the funding and replenishment of a reserve therefore, for a term of years equal to the term of the Qualified Obligations. The principal of and interest on the Qualified Obligations will be payable from the Transportation LIT Revenues, and will finance certain projects. The Projects are a part of the Capital Plan for 2018 and 2019.

The Indianapolis Local Public Improvement Bond Bank Local Income Tax Revenue Bonds, Series 2018A, dated November 21, 2018, were issued in the aggregate principal amount of \$26,000,000. The Series 2018A bond proceeds are planned to be used for IPTC's rapid transit plan as well as paratransit infrastructure and bus replacement. The bonds bear interest at 5.0%, payable on January 15 and July 15 annually, beginning in 2019 and ending January 15, 2028. The trust indenture includes minimum debt service reserve requirements to be held on deposit.

The following table and graph show the scheduled debt service payments on the bonds payable for years subsequent to December 31, 2018.

	Principal	Interest	Total
2021	\$ 2,345,000	\$ 1,144,350	\$ 3,489,350
2022	2,460,000	1,025,725	3,485,725
2023	2,590,000	901,100	3,491,100
2024	2,710,000	783,425	3,493,425
2025	2,710,000	783,425	3,493,425
2026 - 2029	9,880,000	2,352,775	12,232,775
Total	\$ 24,690,000	\$ 7,796,690	\$ 32,486,690



Debt Service Fund

To date, this is the only outstanding obligation payable from the Transportation LIT Revenues; however, IndyGo anticipates a future financing in 2021 to fund the procurement of 27 hybrid buses for the maximum par amount of \$25.8 million. The proposed bond will be issued on a parity lien with the 2018A LIT bond outstanding. The estimated annual debt service payments for this proposed bond issuance would be \$2.8 million including principal and interest. IndyGo anticipates a possible future financing in 2022 or 2023 to fund approximately \$65 million of projects to advance the Blue line Bus Rapid Transit Project. There is no assurance that all or any of the future financings will occur. Any such financing is conditional, subject to market conditions, and is at the absolute discretion of the Qualified Entity.

FUND BALANCE AND FINANCIAL SUMMARY - ALL FUNDS

FY 2021 Statement of Revenues, Expenditures and Changes in Fund Balance

	General Fund	Local Transit Income Tax	Cumulative Capital	Local Transit Income Tax Debt Service	Grand Total
Revenues					
Passenger Service Revenue	\$ 6,379,044	-	-	\$ -	\$ 6,379,044
Local Property & Excise Taxes	36,069,630	-	3,604,788	-	39,674,418
State Funds/Grants	9,634,315	-	-	-	9,634,315
Federal Assistance	25,531,314	3,142,500	-	-	28,673,814
Service Reimbursement Programs	265,000	-	-	-	265,000
Advertising Revenue	607,775	-	-	-	607,775
Other Operating Income	109,500	-	-	-	109,500
Local Transit Income Tax	-	47,241,762	-	6,370,725	53,612,487
Total Revenues	78,596,578	50,384,262	3,604,788	6,370,725	138,956,353
Expenditures by Category					
Personal Services	47,179,664	23,237,748	-	-	70,417,412
Materials & Supplies	8,032,707	3,956,408	-	-	11,989,115
Other Services & Charges	23,384,207	11,517,592	-	-	34,901,799
Capital Outlay	-	9,531,132	6,000,000	-	15,531,132
Debt Service	-	-	-	6,370,725	6,370,725
Total Expenditures	78,596,578	48,242,880	6,000,000	6,370,725	139,210,183
Changes in Fund Balance	-	2,141,382	(2,395,212)	-	(253,830)
Estimated Beginning Fund Balance - January 1, 2021	26,574,959	18,945,964	2,733,551	1,116,958	49,371,432
Estimated Ending Fund Balance - December 31, 2021	\$ 26,574,959	21,087,346	338,339	\$ 1,116,958	\$ 49,117,602

(1) Local Transit Income Tax & Local Transit Income Tax Debt Service Funds are non-major Special Revenue Funds.

(2) Capital Cumulative fund is seeing the ending fund balances shrink in budget year 2021 as many capital projects programmed in FY 2020 did not start as anticipated or had a delay start due to various reasons and appropriations were carried over from the prior year over to 2021.

FY 2021 Three Year Consolidated Financial Summary

	General Fund			Cumulative Capital Fund			Non-Major Funds (Home Rule) Funds			Grand Total		
	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget
Revenues												
Passenger Service Revenue	9,224,816	10,631,742	6,379,044	-	-	-	-	-	-	9,224,816	10,631,742	6,379,044
Local Property & Excise Taxes	36,833,525	36,468,936	36,069,630	3,400,562	3,582,332	3,604,788	-	-	-	40,234,087	40,051,268	39,674,418
State Funds/Grants	10,956,604	11,107,800	9,634,315	-	-	-	-	-	-	10,956,604	11,107,800	9,634,315
Federal Assistance	12,453,301	11,590,000	25,531,314	-	-	-	-	-	3,142,500	12,453,301	11,590,000	28,673,814
Service Reimbursement Programs	295,324	310,480	265,000	-	-	-	-	-	-	295,324	310,480	265,000
Advertising Revenue	655,636	675,305	607,775	-	-	-	-	-	-	655,636	675,305	607,775
Other Operating Income	110,771	180,000	109,500	325,157	-	-	-	-	-	435,928	180,000	109,500
Local Transit Income Tax	-	-	-	-	-	-	56,858,347	58,369,430	53,612,487	56,858,347	58,369,430	53,612,487
Total Revenues	<u>70,529,977</u>	<u>70,964,263</u>	<u>78,596,578</u>	<u>3,725,719</u>	<u>3,582,332</u>	<u>3,604,788</u>	<u>56,858,347</u>	<u>58,369,430</u>	<u>56,754,987</u>	<u>131,114,043</u>	<u>132,916,025</u>	<u>138,956,353</u>
Expenditures by Category												
Personal Services	37,842,084	43,386,891	47,179,664	-	-	-	18,638,638	24,405,128	23,237,748	56,480,722	67,792,019	70,417,412
Materials & Supplies	8,236,160	8,687,035	8,032,707	-	-	-	4,056,616	4,886,456	3,956,408	12,292,776	13,573,491	11,989,115
Other Services & Charges	18,991,539	19,013,907	23,384,207	-	-	-	9,354,041	10,695,325	11,517,592	28,345,580	29,709,232	34,901,799
Capital Outlay	-	-	-	10,732,408	6,975,090	6,000,000	11,826,157	27,915,453	9,531,132	22,558,565	34,890,543	15,531,132
Debt Service	-	-	-	-	-	-	2,781,041	3,489,350	6,370,725	2,781,041	3,489,350	6,370,725
Total Expenditures	<u>65,069,783</u>	<u>71,087,833</u>	<u>78,596,578</u>	<u>10,732,408</u>	<u>6,975,090</u>	<u>6,000,000</u>	<u>46,656,493</u>	<u>71,391,712</u>	<u>54,613,605</u>	<u>122,458,684</u>	<u>149,454,635</u>	<u>139,210,183</u>

(1) Local Transit Income Tax & Local Transit Income Tax Debt Service Funds are non-major Special Revenue Funds.

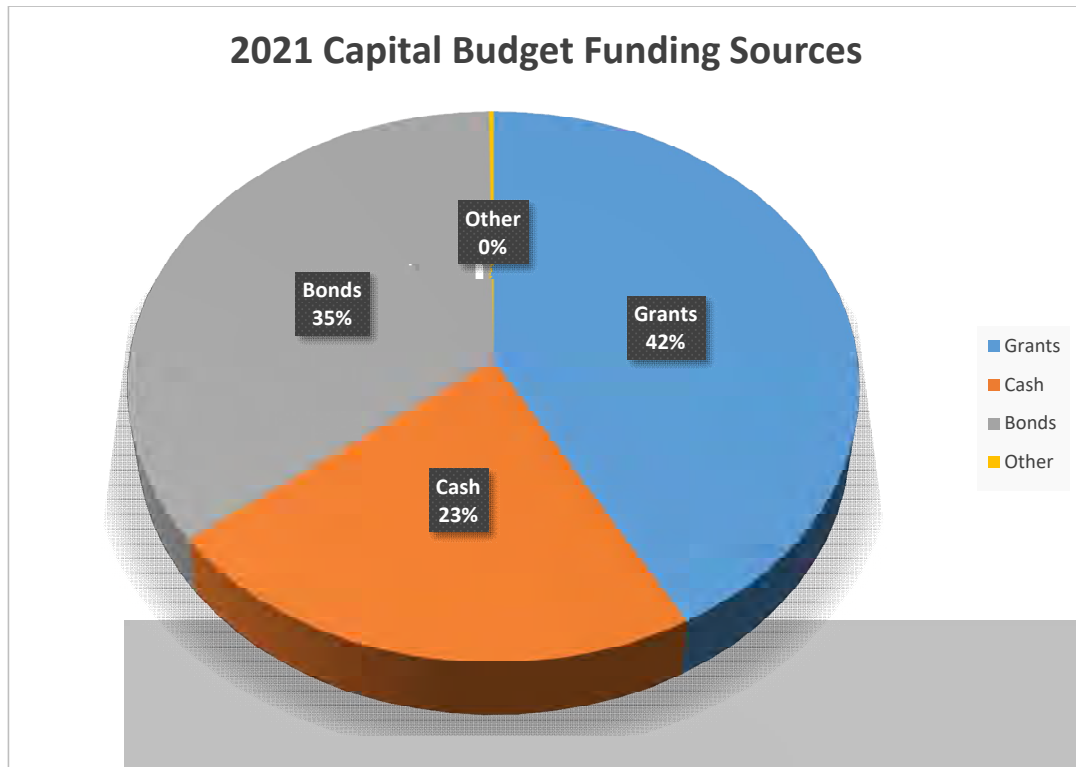
(2) Non-major funds: Local Transit Income Tax and Capital Cumulative funds are seeing expenditures greater than the revenues in budget year 2021 as many capital projects programmed in FY 2020 did not start as anticipated or had a delay start due to various reasons and appropriations were carried over from the prior year over to 2021. Unspent cash balances would be utilized to pay for the capital projects match.

CAPITAL IMPROVEMENT PROGRAM

CAPITAL IMPROVEMENT PROGRAM

Indianapolis Public Transportation Corporation 2021 Capital Improvement Program						
	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025	
BRT and On-Street Infrastructure	\$ 52,033,998	\$ 97,319,000	\$ 101,602,000	\$ 98,000,000	\$ 31,911,000	
Red Line Phase 2a/3a (to County Line)	\$ -	\$ 2,200,000	\$ 6,200,000	\$ 26,300,000	\$ -	
Purple Line	\$ 37,865,000	\$ 57,969,000	\$ 23,652,000	\$ -	\$ -	
Blue Line	\$ 3,750,000	\$ 36,300,000	\$ 70,900,000	\$ 71,000,000	\$ 31,911,000	
Michigan St. Improvements (Constr)	\$ 4,350,000	\$ -	\$ -	\$ -	\$ -	
30th St. Improvements (constr)	\$ 2,150,000	\$ -	\$ -	\$ -	\$ -	
Super Stops	\$ 1,548,998	\$ -	\$ -	\$ -	\$ -	
Transit Signal Priority Installation	\$ 1,520,000	\$ -	\$ -	\$ -	\$ -	
Local Route Stop/Shelter/Sidewalk Installations	\$ 850,000	\$ 850,000	\$ 850,000	\$ 700,000	\$ -	
Facilities	\$ 3,985,000	\$ -	\$ -	\$ -	\$ -	
Building Exterior Improvements	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -	
Maintenance Area Renovations	\$ 1,375,000	\$ -	\$ -	\$ -	\$ -	
Solar Array Expansion (1501)	\$ 630,000	\$ -	\$ -	\$ -	\$ -	
Board Room & Lobby Improvements	\$ 580,000	\$ -	\$ -	\$ -	\$ -	
Safety/Security	\$ 220,000	\$ 230,000	\$ 255,000	\$ 255,000	\$ -	
Vehicle CCTV Replacement	\$ 220,000	\$ 230,000	\$ 255,000	\$ 255,000	\$ -	
IT/Finance	\$ 1,975,000	\$ -	\$ -	\$ -	\$ -	
ERP	\$ 800,000	\$ -	\$ -	\$ -	\$ -	
IT Radio Replacement/Other IT	\$ 800,000	\$ -	\$ -	\$ -	\$ -	
Farebox Replacement	\$ 375,000	\$ -	\$ -	\$ -	\$ -	
Public Affairs	\$ 392,375	\$ -	\$ -	\$ -	\$ -	
Mobility Concierge	\$ 392,375	\$ -	\$ -	\$ -	\$ -	
Fleet	\$ 24,645,306	\$ 12,384,419	\$ 13,068,452	\$ 14,950,000	\$ -	
Automatic Passenger Counters Upgrade	\$ 181,500	\$ -	\$ -	\$ -	\$ -	
Paratransit Bus Replacement	\$ 1,415,000	\$ 1,450,000	\$ 1,500,000	\$ 1,550,000	\$ -	
Fixed Route Bus Replacement	\$ 22,500,000	\$ 10,634,419	\$ 10,953,452	\$ 13,100,000	\$ -	
Support Vehicle Replacement	\$ -	\$ -	\$ 315,000	\$ -	\$ -	
Radio Equipment & Accessories	\$ 78,806	\$ -	\$ -	\$ -	\$ -	
Dispatch Consoles	\$ 170,000	\$ -	\$ -	\$ -	\$ -	
Maintenance Heavy Equipment	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	
Grand Totals	\$ 83,251,679	\$ 109,933,419	\$ 114,925,452	\$ 113,205,000	\$ 31,911,000	

CAPITAL BUDGET: SOURCE OF FUNDS



GLOSSARY

GLOSSARY

Accrual Accounting - A method of financial accounting where revenues are recorded when earned, however, the revenue does not have to be received in the same reporting period. Similarly, expenditures are recorded as soon as the goods or services are received; the payment of the expenditure does not have to be made in the same reporting period.

Accrued Expense - Expenses incurred and recorded during an accounting period for which payment will be made in the future.

Accrued Revenue - Revenue which has been earned and recorded during an accounting period that will be collected in the future.

Americans with Disabilities Act (ADA) - of 1990, requires that public entities, which operate non-commuter fixed route transportation services, also provide complementary Paratransit service for individuals unable to use the fixed route system.

Amortization - Amortization is the process of allocating the cost of an intangible asset over a period of time.

Appropriation - An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is limited in amount and to the time when it may be expended.

Assessed Valuation - The County Property Appraiser's estimation of the Fair Market Value of real estate or other property. This valuation is used to determine taxes levied upon the property.

Audit - Audit is an official inspection of an organization's financial statements, typically by an independent body.

Balanced Budget - The Authority considers the budget balanced when total expenditures equal total revenues. The budget is also balanced in situations where total expenditures are less than total revenues, which is called a surplus. There are also few instances where the Authority might plan to spend fund balances from previous years on one-time or non-routine expenditures, provided the funding from previous years is available. The Authority, however, must have a plan in place to not build ongoing expenditures into this type of funding.

Base Budget - The amount programmed in the budget year for conducting the same program and performing the same services as are planned for the current year.

Bond - The written evidence of the debt issued by the Authority. It bears a stated rate of interest and maturity date on which a fixed sum of money plus interest is payable to the holder.

Budget Basis - The starting point for budget deliberations, usually the current budget year appropriation, or the Midyear Review estimate of expenses.

Budget Deficit - Usually, this is a projection of expenditures exceeding appropriations. It is normally determined during a quarterly review. The budget is controlled so that expenditures plus encumbrances should not exceed appropriations.

Bus Rapid Transit (BRT) - A broad term given to transit systems that use buses to provide a service that is of a higher quality than an ordinary bus line.

CAFR - Comprehensive Annual Financial Report, contains audited financial statements, financial notes, and related materials.

Capital Expenditures - Funds in the Capital Improvement Program are used to account for the acquisition, construction, replacement, repair and renovation of capital facilities, assets, and equipment. Under Routine Capital Fund, local funds are used for the purchase of vehicles and equipment, where each unit has a value of at least \$5,000 and a useful life of greater than 3 years.

Capital Improvement Budget - The current year estimated revenues and expenses of construction projects and capital equipment purchases in the Capital Improvement Plan. The Capital Budget includes maintenance and expansion projects that are funded through grants and local sources.

Capital Improvement Plan (CIP) - A five to ten-year plan for constructing, acquiring, or maintaining capital assets.

CARES Act - Coronavirus Aid, Relief, and Economic Security Act. The CARES Act provides emergency assistance and health care response for individuals, families and businesses affected by the COVID-19 pandemic and provide emergency appropriations to support Executive Branch agency operations during the COVID-19 pandemic. Funding is provided at a 100-percent federal share, with no local match required, and is available to support capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19.

Cash Accounting - A major accounting method that recognizes revenues and expenses at the time physical cash is actually received or paid out.

Debt Limit - A statutory or constitutional limit on the principal amount of debt that an issuer may incur or have outstanding at one time.

Debt Service - Principal and interest paid on long term and short-term debt.

Depreciation - Depreciation is an accounting method of allocating the cost of a tangible asset over its useful life and is used to account for declines in value.

DLGF - Department of Local Government Finance is responsible for ensuring property tax assessment and local government budgeting are carried out in accordance with Indiana law. The Department is charged with publishing property tax assessment rules and annually reviewing and approving the tax rates and levies of every political subdivision in the state, including all counties, cities, towns, townships, school corporations, libraries, and other entities with tax levy authority.

Encumbrance - Obligations in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. To encumber funds means to set aside or commit funds for future expenditures. They cease to be encumbrances when paid or when the actual liability is set up.

Enterprise Resource Planning (ERP) - Technology applications that improve enterprise wide decision support and operational efficiency through information integration and process improvement. ERP systems are based on software that integrates information from diverse applications into a common database and suggest that business processes can be improved by using the built-in best practices for financial and other administrative operations.

Expenditure -The use of appropriated funds to purchase an item, service, or other object. Expenditures are not considered encumbrances.

Expenses -Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges presumed to benefit the current fiscal period.

Farebox Revenue - Income generated from passengers using transit service. This includes cash deposited in fareboxes, income from the sales of tickets and monthly passes, and revenue from special pass programs.

Federal Transit Administration (FTA) - Supports a variety of locally planned, constructed, and operated public transportation systems throughout the U.S., including buses, subways, light rail, commuter rail, streetcars, monorail, passenger ferry boats, inclined railways, and people movers.

Fiscal Year - The 12 -month period that the Authority uses for accounting purposes. The Fiscal Year for the Authority is concurrent with the Calendar Year.

Full -Time Equivalent (FTE) Position - A part -time position converted to the decimal equivalent of a full -time position based on 2,080 hours per year for 40 hours per week employees.

Fund - An accounting term referring to a self -balancing set of accounts recording all financial resources together with corresponding liabilities and residual equities or balances, and changes. Funds are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance - Fund balance is the net position of governmental funds calculated in accordance with generally accepted accounting principals (GAAP) or a government's budgetary basis.

Fund Deficit - An excess of expenditures over revenues during a fiscal year. This is not an acceptable condition and must be addressed by transferring revenue to the fund in deficit. See Balanced Budget.

GAAP - Generally Accepted Accounting Principles. These principles are guidelines and rules for use by accountants in preparing financial statements.

INDOT - Indiana Department of Transportation

Levy -To impose taxes, special assessments, or service charges for the support of city activities.

Major Funds - Major Funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental funds.

Modified Accrual Accounting -A basis of accounting in which expenditures are recognized when the related fund liability is incurred, but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting, since expenditures are immediately incurred as a liability while revenues are not recorded until they are actually received or available and measurable. This type of accounting basis is a conservative financial approach and is recommended as the standard for most governmental funds.

Revenue - The amount of money that a company actually receives during a specific period, usually a year.

Operating Budget - The portion of the budget that pertains to daily operations which provide basic governmental services.

Operating Expenses -Those expenses from a fund which are directly related to accomplishing the fund's primary functions. Payroll would be one example of an operating expense.

Operating Revenue -Funds that the government receives as income to pay for ongoing operations that pay for day -to -day services, i.e. taxes, fees from specific services, interest earnings, and grant revenues.

Ordinance -A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The statutes or charter will specify or imply those legislative actions that must be by ordinance and those that may be by resolution. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, usually require ordinances.

Outlays - The payments on obligations in the form of cash, checks, the issuance of bonds or notes, or the maturing of interest coupons.

Paratransit - Paratransit is scheduled service for people who cannot use regular fixed route bus service.

Pass -Thru - A situation where the Authority functions as a channel for the expenditure of funds from another source without authorization to decide the use of the funds.

Principal - The face amount of a bond, which the issuer promises to pay at maturity.

Property Tax - An ad valorem tax levied on both real and personal property according to the property's valuation and tax rate.

Purchase Order - A document issued to authorize a vendor or vendors to deliver specified merchandise or render a specified service for a stated price. Outstanding purchase orders are called encumbrances.

Proposed Budget - Refers to the budget prepared with preliminary estimates by the President/CEO for the consideration of the IndyGo Board.

Referendum - A vote by the people.

Revenue - Funds that the government receives as income, i.e. tax payments, fees from specific services, receipts from other governments, fines, forfeitures, share revenues, and interest income.

Revenue Bond - A bond on which the debt service is payable solely from the revenue generated from the operation of the project being financed.

State of Good Repair (SOGR) - A Federal initiative to identify and maintain the nation's assets for bus and rail systems. This is essential for delivering safe and reliable transit service to millions of daily riders and one of the FTA's highest priorities.

Tax Levy - The total amount to be raised by general property taxes for purposes specified in the Tax Budget.

Section 5309 (formerly Section 3) - A Federal discretionary program directed primarily to those rail modernization and major bus projects that require funding beyond that available under Section 9.

Section 5307 (formerly Section 9) - A Federal formula program which makes resources available to urbanized areas for planning, capital, and operating assistance purposes. Funding allocations are earmarked by Congress.

