

A photograph of a man with short brown hair, wearing a light blue button-down shirt and dark trousers, standing on a sidewalk. He is holding a white cane with a black handle in his right hand. He is looking towards the left. To his right is the side of a white bus with a blue stripe. The background shows a street with trees and a clear sky.

## INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION 2019 MANAGEMENT & FINANCIAL PLAN

INTRODUCED TO INDYGO BOARD: JULY 30, 2018  
INDYGO BOARD ADOPTED ON: AUGUST 23, 2018  
CITY-COUNCIL ADOPTED ON: OCTOBER 15, 2018  
DLGF APPROVED FORM 1782: DECEMBER 20, 2018

*IndyGo*<sup>SM</sup>



## BOARD OF DIRECTORS

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TOMMIE JONES	Secretary
GREGORY F. HAHN	Treasurer
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MICHAEL TERRY	President & CEO
ROSCOE BROWN JR.	Vice President of Operations & COO
PHALEASE CRICHLOW	Vice President of Human Resources
MARCUS BURNSIDE	Vice President of Technology/CIO
BRYAN LUELLEN	Vice President of Public Affairs
NANCY MANLEY	Vice President of Finance & Controller
JILL RUSSELL	General Counsel
JUSTIN STUEHRENBURG	Vice President of Planning & Capital Projects

## BUDGET MANAGEMENT TEAM

HARDI SHAH	Director of Budget
JUSTIN BURCOPE	Manager of Finance & Internal Audit



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# **TRANSMITTAL LETTER**

A BUDGETARY MESSAGE FROM PRESIDENT MICHAEL TERRY





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

To: IPTC Chair and Board of Directors  
Re: IPTC 2019 Financial & Management Plan  
From: Michael A. Terry, President and CEO  
Date: **August 23, 2018**

## Introduction

On behalf of the IndyGo team, I am submitting the 2019 IPTC proposed budget for your review and consideration. In November 2016 Marion County voters approved a referendum to fund mass transit improvements. The 0.25% income tax was enacted by the Indianapolis-Marion County City-County Council in the spring of 2017, with an effective date for October of 2017. This new revenue stream, totaling about \$54 million annually, was infused in IndyGo's 2018 operating and capital budgets, which were approved by the IndyGo Board of Directors and the City-County Council. The income tax revenues made it possible to begin implementing the Marion County Transit Plan—in 2018 our agency has invested in human capital, physical infrastructure, and enhanced services.

## 2018 Operating Budget Overview

In February and again in June of 2018, IndyGo rolled out more frequent service and improved weekend availability on the system's key routes. These increases in service are having a positive effect on ridership, and the investment in service means more local jobs.

## 2019 Budget

The 2019 Operating Expenditure Budget is proposed at **\$104.6M** [Original \$104.8], an increase of approximately 11% over the 2018 operating budget of \$94.4M.

The 2019 operating budget as proposed includes the following objectives:

1. In the latter half of the year, IndyGo expects to open the Red Line rapid transit project concurrently with launching a new local bus network with major frequency improvements. A significant portion of the 2019 budget is comprised of expenses associated with hiring and training the staff that is required to execute a major transformation of our network. Operation and maintenance of the new network are also represented appropriately in the 2019 budget.
2. The dedicated income tax approved by the City-County Council of Marion County and Indianapolis by Fiscal Ordinance No. 1 of 2017 will offer approximately **\$34.6M** [original \$34.1M] in revenue for the operations budget.

3. IndyGo must maintain the existing property tax revenue: both the civil max levy and the special tax of \$14.8M approved for 2018 are assumed in the 2019 operating budget.
4. Federal formula revenues are expected to be the same as 2018 levels and will help fund IndyGo's paratransit and security programs. Additionally, in 2019 approximately \$8M in federal formula funds will be leveraged for preventive maintenance of the bus fleet.
5. Fare revenue for 2019 is estimated at \$10M.
6. Transit advertising revenue will grow based on contractually guaranteed collections.
7. Costs associated with the federally mandated ADA Paratransit service (Open Door) are projected to remain consistent for the agency. Currently, the cost to deliver paratransit averages approximately \$33.50 per ride. IndyGo is actively pursuing new service delivery options to enhance mobility for individuals with disabilities and lower operational costs.
8. Premium diesel fuel is budgeted at **\$2.35** [original \$2.50] per gallon, with total consumption estimated at **2,000,000** [original 1,700,000] gallons for the 2019 budget. In 2019, IndyGo will begin operating 31 new fully electric buses and is currently seeking federal funds to continue to convert the fleet to 100% electric vehicles within the next 15 years.
9. A new debt issuance of approximately \$25M is planned for 2018 to support capital investments with an anticipated annual debt service of \$2.9M in 2019.

## 2019 Capital Plan

The Board of Directors approved a 5-year Capital Plan in late 2017 and two updates to the Plan in 2018. This document includes projections for expenses and revenues for all major capital investments over a rolling 5-year period. 2019 capital expenditures total approximately **\$139M** [original \$143.5M] and comprises these major projects:

1. The Red Line project is currently under construction and expected to be complete in the second half of 2019. In the first quarter of 2018, IndyGo entered into a Small Starts Funding Agreement with the Federal Transit Administration which will cover 80% of Red Line construction costs.
2. The Purple Line project is expected to reach 100% design in late 2018. For 2019 final planning and pre-construction activities have been budgeted.
3. IndyGo initiated design work on the Blue Line in mid-2018. This project is a larger scale than any undertaken by the agency to date and will require significant engineering and environmental planning in 2019.
4. With the new local bus network launching in 2019, the 2019 Capital Plan reflects approximately \$5M in design and construction of critical pedestrian infrastructure in key places throughout the city.
5. Vehicle replacement is critical to ensure reliability of the transit system. Approximately 45 new transit vehicles will be acquired in 2019.

The 0.25% Local Option Income Tax is being leveraged to advance the Marion County Transit Plan in both the operating and capital budgets. Approximately \$21M in income tax revenues will be layered with nearly \$86M in federal grants, \$20M in bond proceeds, and \$14M from the Capital Cumulative Fund for 2019 capital expenditures.



With increased activity in IndyGo's capital program, agency staff have worked with the State Board of Accounts to maintain a responsible balance in the Capital Cumulative Fund. This budget maintains 10% of total capital expenses in the Cumulative Fund.

#### **Summary**

2019 is a pivotal year for transit in Indianapolis. The Red Line and a new local bus network will play a critical role in enhancing access to opportunity in our community. These new transit services are putting IndyGo at the center of discussions about the future of mobility. I am pleased to submit a budget that significantly advances progress toward the completion of the Marion County Transit Plan.

Respectfully Submitted,



Michael A. Terry  
President and CEO

## **HISTORY & BUDGET OVERVIEW**



## HISTORY

IndyGo's history began in 1953 when the city's streetcar system was converted to bus routes, most of which followed the same routes as used by the streetcars. In 1975, the City of Indianapolis became the administrators of the transit service and established the Indianapolis Public Transportation Corporation (IPTC). Originally operating under the name Metro Bus, the organization adopted the now familiar IndyGo in 1996.

Over the next decade, public and private partners known as the Indiana Transit Task Force began looking at the long-term plans and needs for moving people in the central Indiana region, and realized the necessity of significantly improved public transportation.

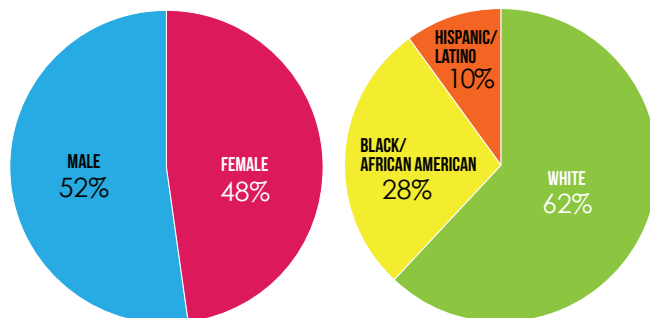
The Indy Connect initiative, created in 2009, solidified these findings of identifying long term transportation needs for Indianapolis and produced the recommendations for the region, recognized as the Central Indiana Transit Plan.

In 2014, IndyGo underwent a Comprehensive Operational Analysis (COA) to identify service needs and resource investment priorities. With the leadership of Jarrett Walker and Associates, the plan to improve transit service in high ridership corridors with a more efficient grid design, longer service hours, and a system bolstered by three rapid transit lines was realized. This plan became the backbone of what the transit referendum dollars would fund – the Marion County Transit Plan.

In 2016, Marion County voters approved an income tax dedicated to transportation projects opening the way for the agency to expand service by 70% by 2022 by significantly improving the local routes and building three rapid transit lines. Local route improvements began in February and June of 2018 as well as construction of the Red Line Rapid Transit project.

## SERVICE AREA

### MARION COUNTY DEMOGRAPHICS POPULATION = 860,000



## FIXED ROUTE

IndyGo operates 31 fixed routes throughout Marion County generating about 9 million trips a year. All but three fixed routes travel through the Julia M. Carson transit center to allow riders a central transfer location. As service is improved, the fixed routes will form a more frequent grid network which will shorten the wait and travel times for current and future riders.

## BUS RAPID TRANSIT

With the expansion of service, IndyGo is building three rapid transit lines on high ridership corridors. Bus Rapid Transit is an elevated service with level boarding, buses coming every 10-12 minutes, real time arrival information at each station, and predominantly bus-only-travel lanes for efficient and reliable service. The Red Line, first of three rapid lines, is under construction and open for service in summer of 2019. It will run from Broad Ripple through downtown Indy to the University of Indianapolis, connecting several neighborhoods, major employers and cultural institutions with frequent, comfortable rapid transit service. The route will come within a quarter mile of more than 50,000 residents and nearly 150,000 jobs – a quarter of all jobs in Marion County. Throughout most of the day, buses will arrive every ten minutes, and the Red Line will operate for 20 hours each day, 7 days a week.

The Purple Line Rapid Transit will elevate current route 39, and be open for service in 2020. The third bus rapid transit line is the Blue Line and will elevate current route 8, connecting riders to the airport and open for service in 2022.

## PARATRANSIT

In addition to fixed route service, IndyGo operates a paratransit service, Open Door, which serves the needs of customers who, because of a disability, are unable to use IndyGo's local service and who meet the criteria established by the U.S. Department of Transportation under the Americans with Disabilities Act (ADA) of 1990.

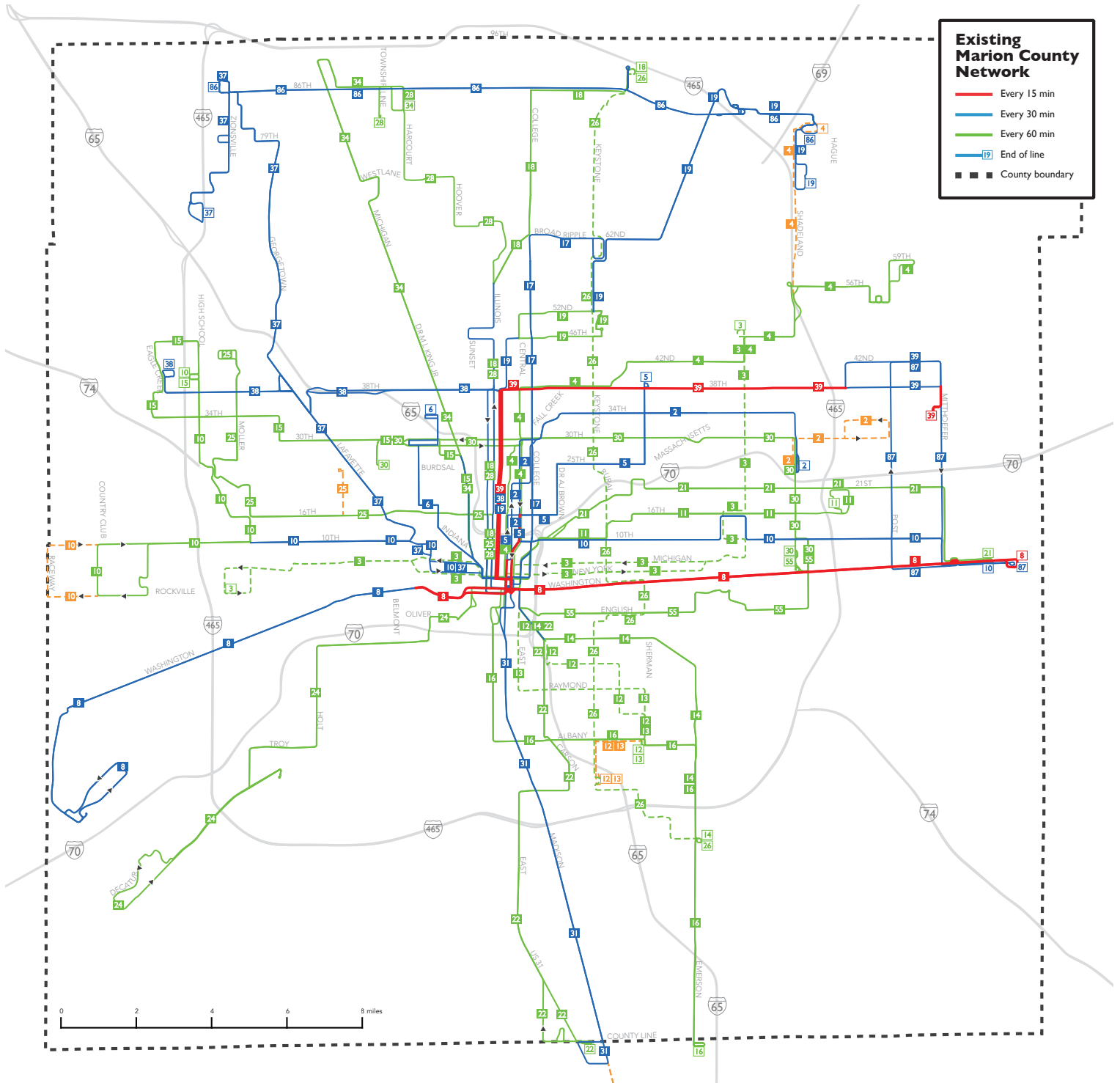
Open Door is an origin to destination, reservation-based, shared ride service. Although federal regulation only requires service within  $\frac{3}{4}$  of a local route, IndyGo Open Door operates throughout all of Marion County during the same hours as local service.

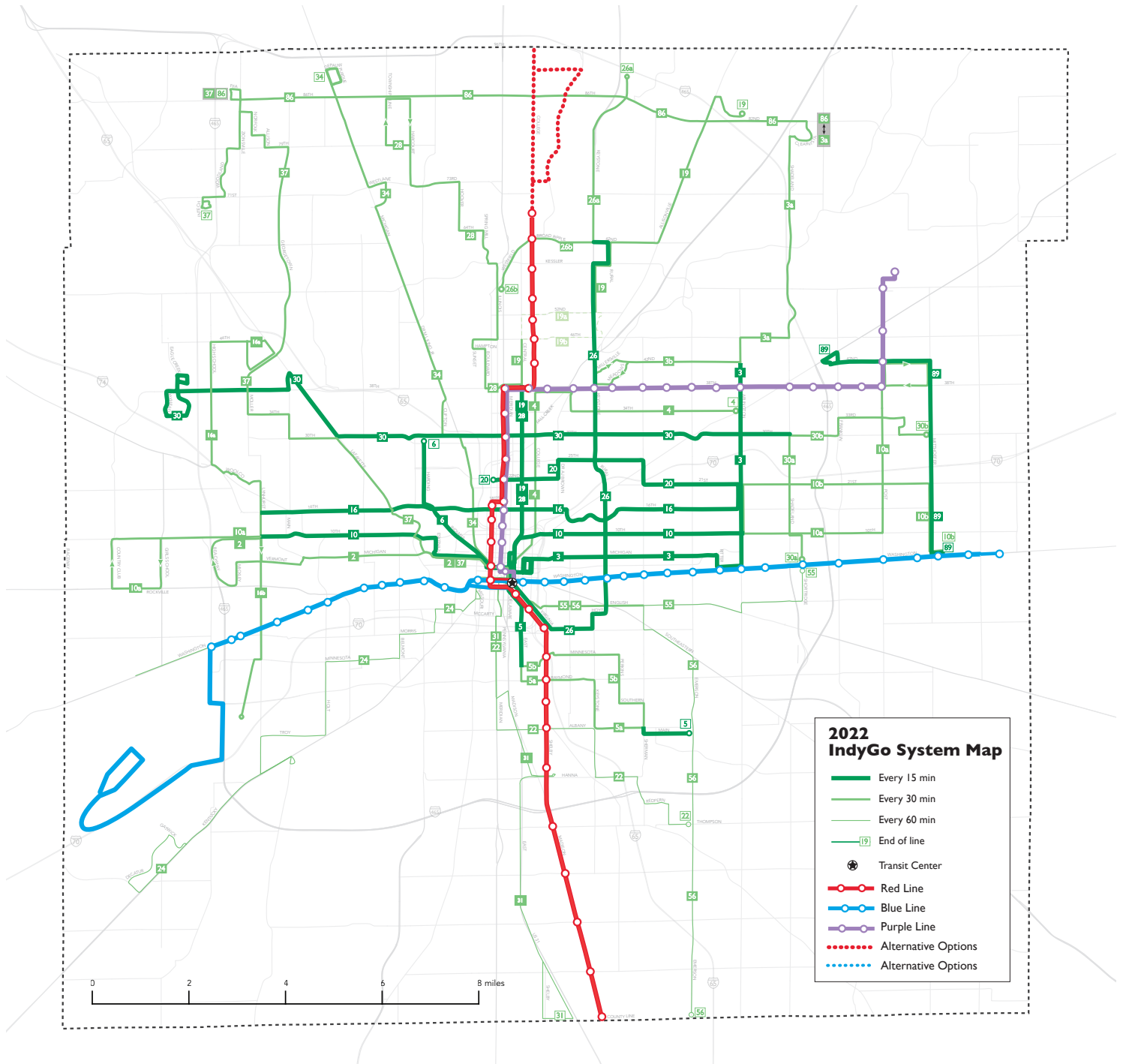
## RIDERSHIP

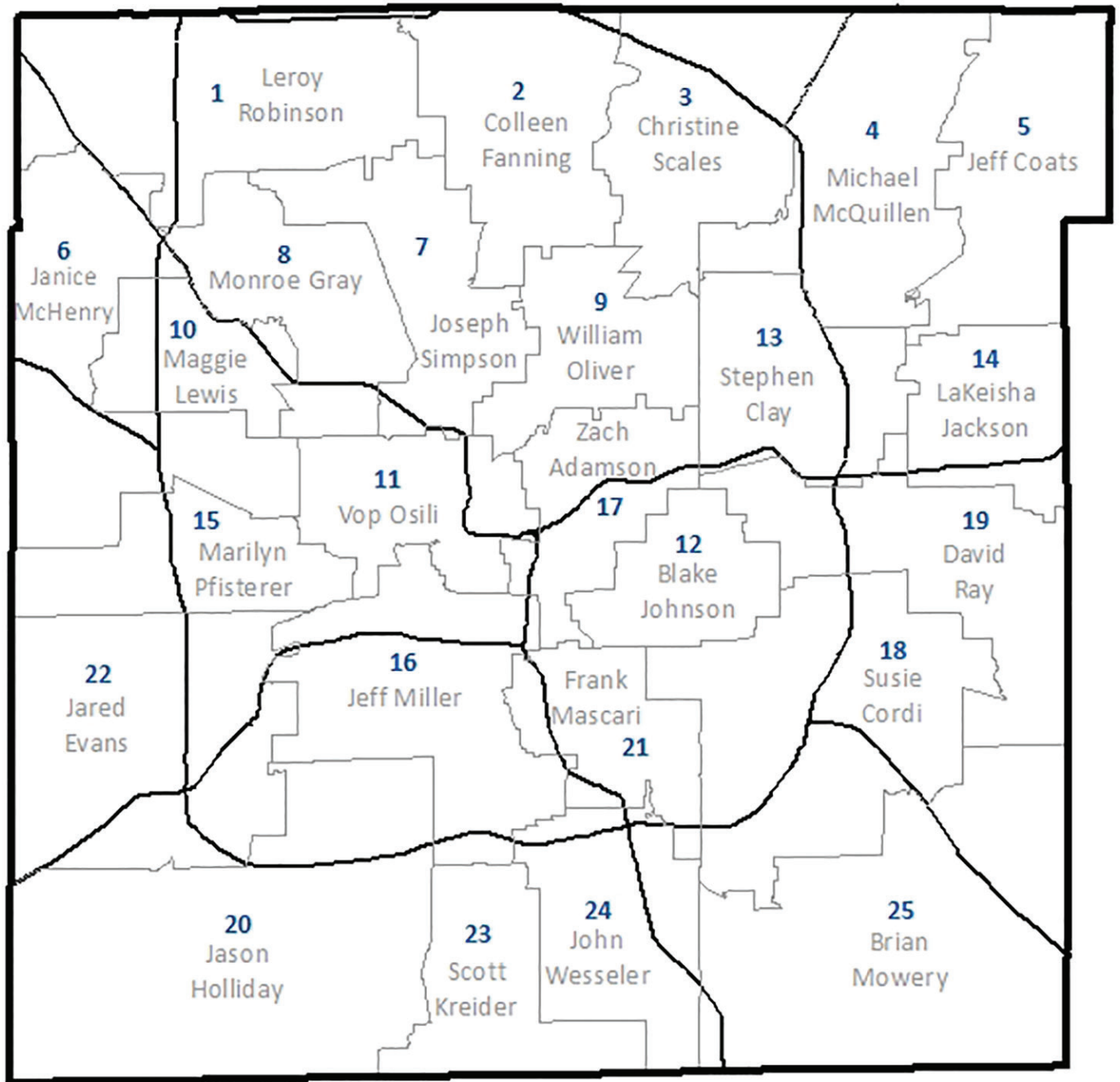
The 2018 average monthly ridership hovers around 700,000. Since February, ridership has increased slightly on those routes where trips have been added as part of the 70% increase in service. Nearly 50% of current IndyGo riders use the bus 3-5 times per week, and riders are primarily traveling to work, a social or personal meeting, or an education or healthcare destination. Of trips that originate at home, 48% of riders are going to a work destination, and 43% of riders would not have made the trip at all if they had not ridden IndyGo. Of surveyed riders, 71% are employed including 20% working part-time, and 76% of riders have household incomes less than \$35,000 annually.



# 2018 SERVICE MAP







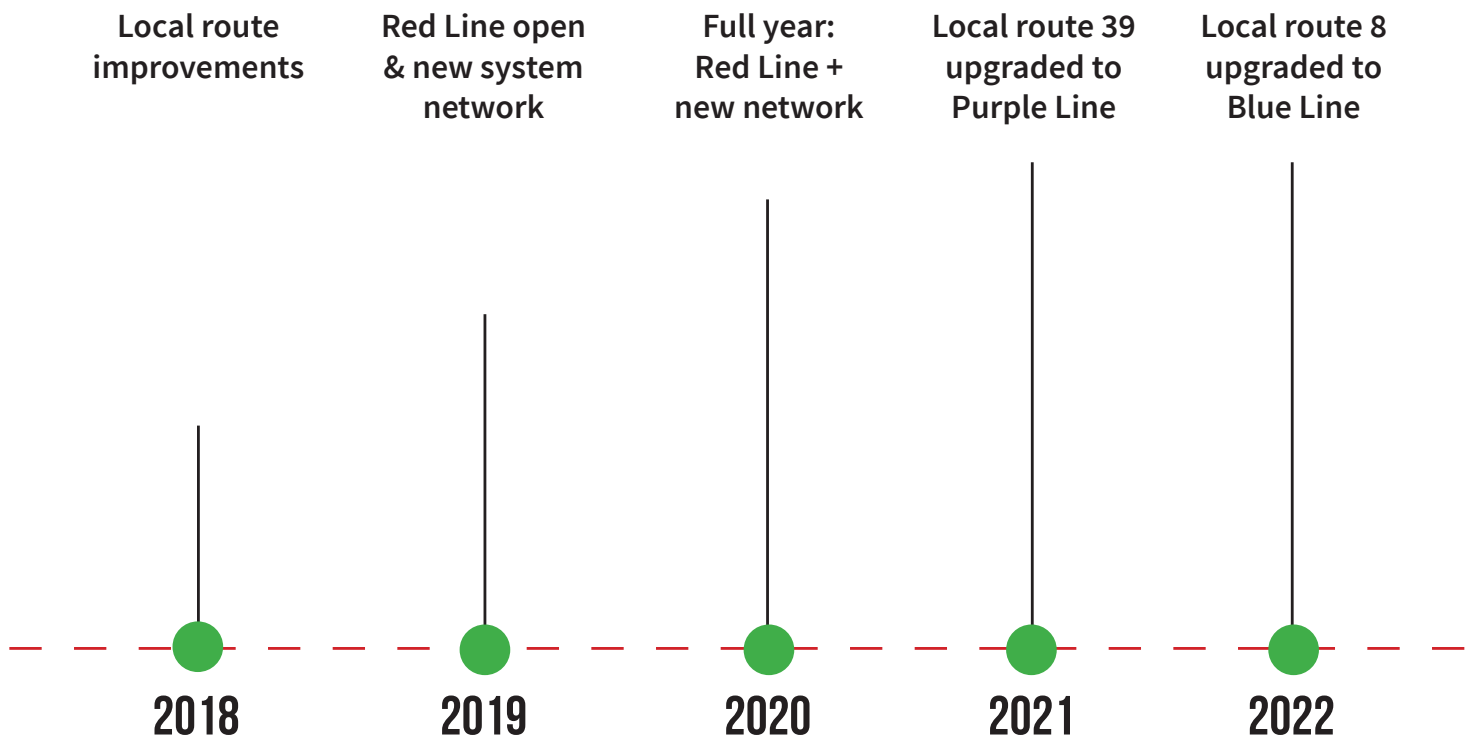
## WHAT WILL THIS BUDGET PROVIDE

This budget supports the improved transit service; ramping up to an overall 70% increase by 2022.

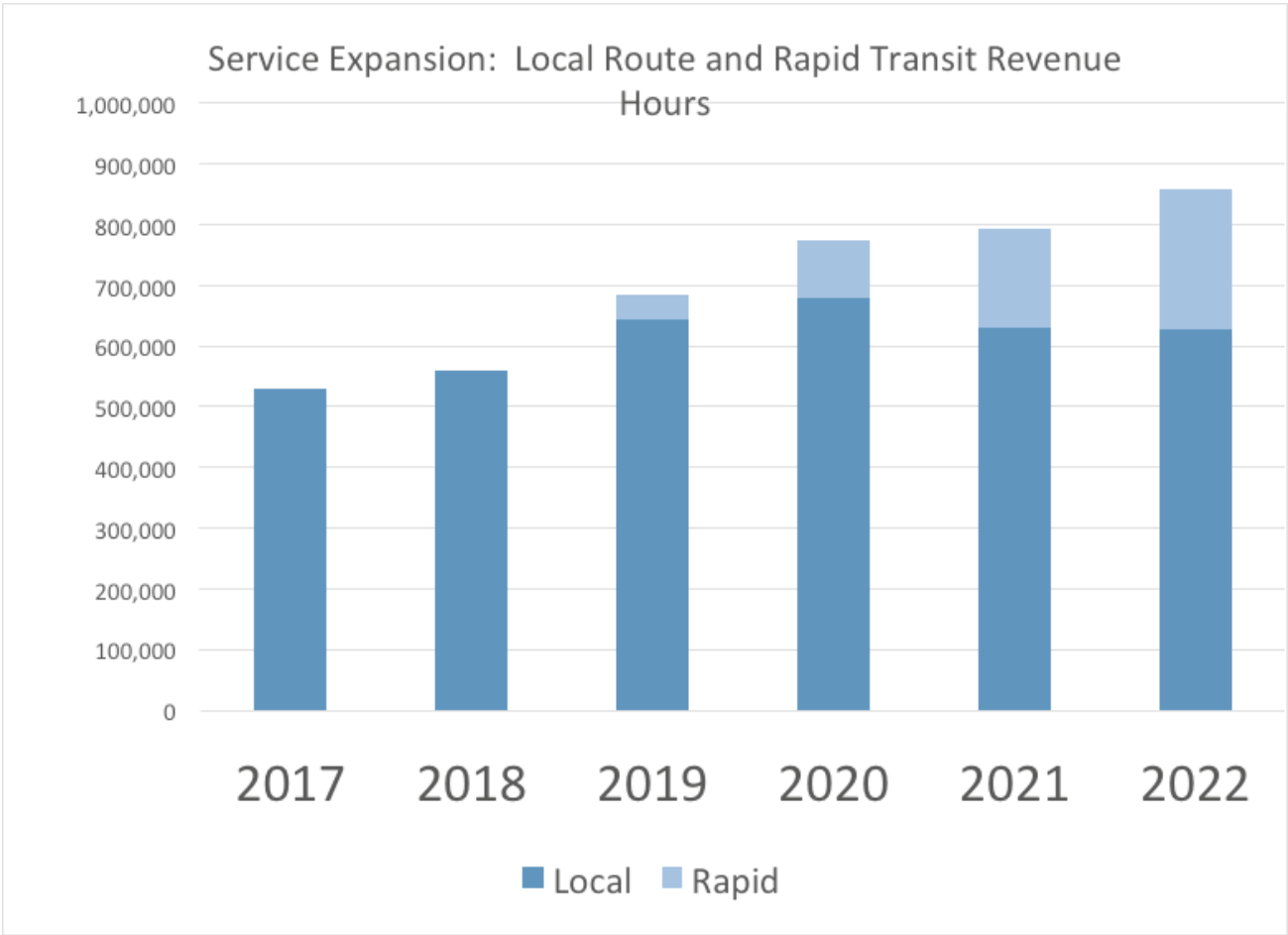
In 2016, Marion County voters approved a 0.25% income tax dedicated to transit projects. This dedicated tax will support build out of three rapid transit lines, bus infrastructure including shelters and benches, new vehicles to replace an aging fleet, and running all local bus routes more frequently, for longer hours of service and seven days per week. A 70% increase in service translates to an additional 350,000 revenue hours each year.

By investing in a high frequency grid network design elevated by three rapid transit lines, IndyGo is shortening wait and travel times for current and future riders.

Serving current and future riders with service earlier in the morning to later in the evening, seven days per week requires both new vehicles and increased staff. Operations including coach operators, supervisors, mechanics, and administrative staff are the largest hiring needs. Additionally, the IndyGo current bus fleet and building is beyond it's useful life, and thus the budget calls for replacement vehicles and upgrades to the headquarter facilities.







## **BUDGET PROCESS INFORMATION**

**Budget Calendar Fiscal Year 2019**

Tuesday, April 17, 2018 .....	Budget Workshop to go over 2019 Budget Process
Wednesday, May 2, 2018 .....	Department Directors submit their first draft budget to Finance
Monday, May 7, 2018 - June 15, 2018 .....	Meeting with Departments to discuss budget submissions and further refinements
Monday, May 14, 2018 .....	DLGF Budget Gateway Training Session
Friday, June 1, 2018 .....	Draft budget overview with CFO & CEO
Thursday, June 21, 2018 .....	Provide Preliminary Overview of Budget to Finance Committee and Seek Input
Monday, July 2, 2018 .....	SBA to provide Assessed Value Growth Quotient (AVGQ)
Tuesday, July 10, 2018 .....	Month End Close for the month of June
Thursday, July 19, 2018 .....	Finance Committee Budget Review
Friday, July 20, 2018 .....	Submit 1st Advertisement for Publication in Newspaper on Friday, July 27, 2018
Thursday, July 26, 2018 .....	Budget to Printer
Monday, July 30, 2018 .....	IPTC Board Meeting - Introduce budget - 5 pm
Tuesday, July 31, 2018 .....	DLGF to provide estimates on the 2019 property tax circuit breaker credits
Tuesday, July 31, 2018 .....	Submit 2nd Advertisement for Publication in Newspaper on Friday, August 3, 2018
Wednesday, August 1, 2018 .....	Certified net assessed valuation provided by county auditors to be made available on Gateway portal by DLGF
Thursday, August 9, 2018 .....	IPTC Board Meeting - Public Hearing/Comment on Budget - 5 pm
Monday, August 20, 2018 .....	Presentation of draft budget to City and County Controllers
Thursday, August 23, 2018 .....	IPTC Board Meeting - Final Adoption of Budget - 5 pm
Friday, August 31, 2018 .....	Last day for municipal corporation board to approve budgets
Monday, September 3, 2018 .....	Last day for municipal corporations to submit proposed 2019 budgets, tax rates, and tax levies to the Council for binding adoption & Form 3 (Notice to Tax Payers) into Gateway
Monday, September 10, 2018 .....	Introduction of Municipal Corporation budgets at Full Council meeting - 7:00 pm
Thursday, September 13, 2018 .....	Municipal Corporations Budget Hearing - 5:30 pm Room 260
Wednesday, September 26, 2018 .....	Municipal Corp Committee - Budget Review & Analysis - 5:30 pm Room 260
Monday, October 15, 2018 .....	City County Council - IPTC Budget Adoption - 7:00 pm
Monday, November 5, 2018 .....	Last day for units to submit their 2019 budgets, tax rates, and tax levies to the Department through Gateway
Friday, December 14, 2018 .....	Last day for the Department to accept additional appropriation requests for the 2018 Budget year from Unit
Monday, December 31, 2018 .....	The DLGF certifies and issues Form 1782 with 2019 budgets, tax rates, and tax levies.
Monday, December 31, 2018 .....	Deadline for units to file shortfall excess levy appeals for 2018 with the Department

## 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 calendar below 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 2019 Annual Operating Budget began with a budget workshop meeting in April 2018 to review instructions and distribute budget materials. Zero-Based budgeting methodology was introduced to all the departments. Departments were encouraged to build the budgets from ground up and not relying on prior budgets as a baseline. This approach was quintessential as IndyGo prepares itself for the service expansions as outlined by the Marion County Transit Plan.

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.

## STRATEGIC PLAN & BUDGET INTEGRATION

Over the past year, IndyGo has embarked on developing its 10-year Strategic Plan. After surveying, interviewing, and hosting focus groups for internal and external stakeholders, IndyGo has refocused and narrowed its direction. IndyGo wants to ensure its experts, from Professional Coach Operators to Mechanics to Accountants to Human Resource Specialists, better communicate, collaborate, and listen to the needs of our customers and co-workers to connect our community to economic and cultural opportunities through safe, reliable, and accessible mobility experiences.

**Mission:** To connect our community to economic and cultural opportunities through safe, reliable, and accessible mobility experiences.

**Vision:** Advancing mobility as a catalyst for success.

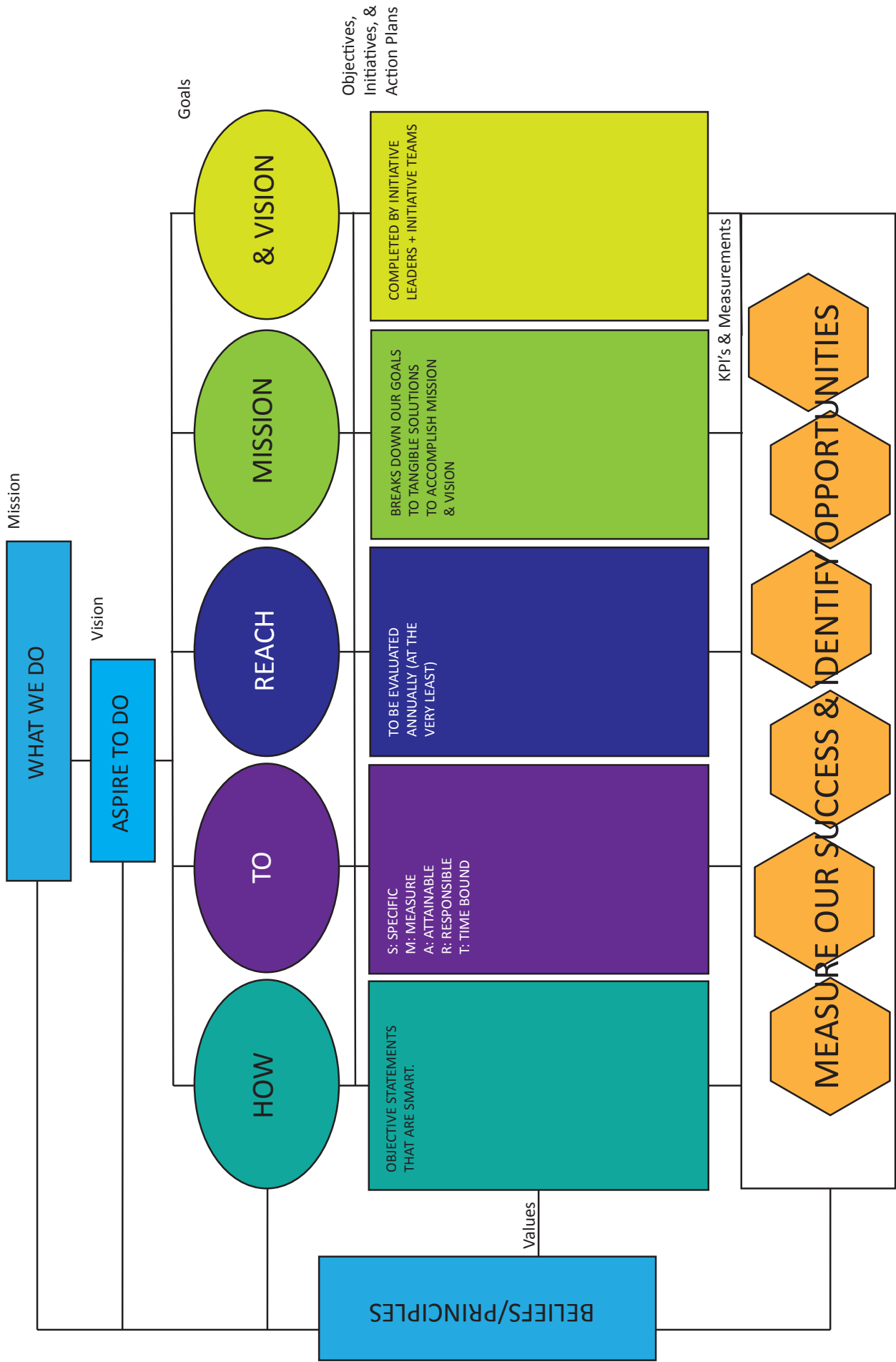
**Values:** Accountability, Diversity, Safety, Teamwork, Respect, Excellence

Goals:

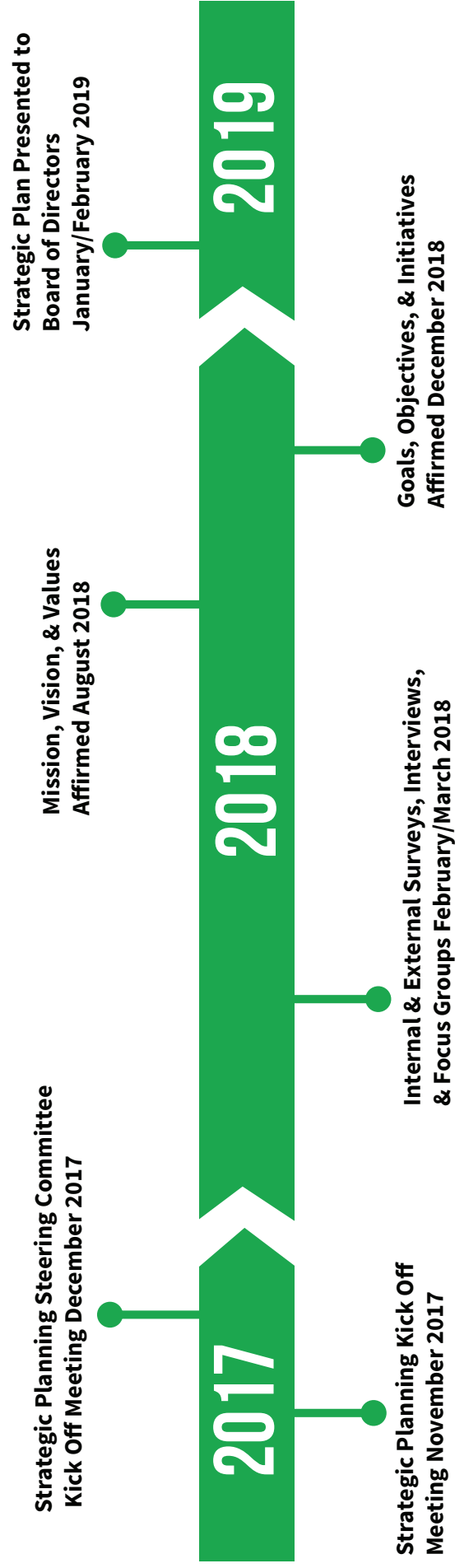
- Foster a culture that is employee-centric and collaborative.
- Innovate and leverage best practices.
- Establish and sustain a performance-driven organization.
- Maximize partnerships.
- Focus on customer experiences.

IndyGo's Strategic Plan and Budget will have an important relationship. While the strategic plan outlines organizational direction and desired outcomes, the budget evaluates the financial needs necessary to achieve stated goals. The finalized strategic plan will also provide a framework upon which future budgets are created and monitored.





# STRATEGIC PLAN TIMELINE



## 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 of Finance. Once adopted, it serves as the Financial plan for the agency. Fiscal year budget amendments are subject to Board review and approval.

## 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 [www.indygo.net](http://www.indygo.net).



### 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

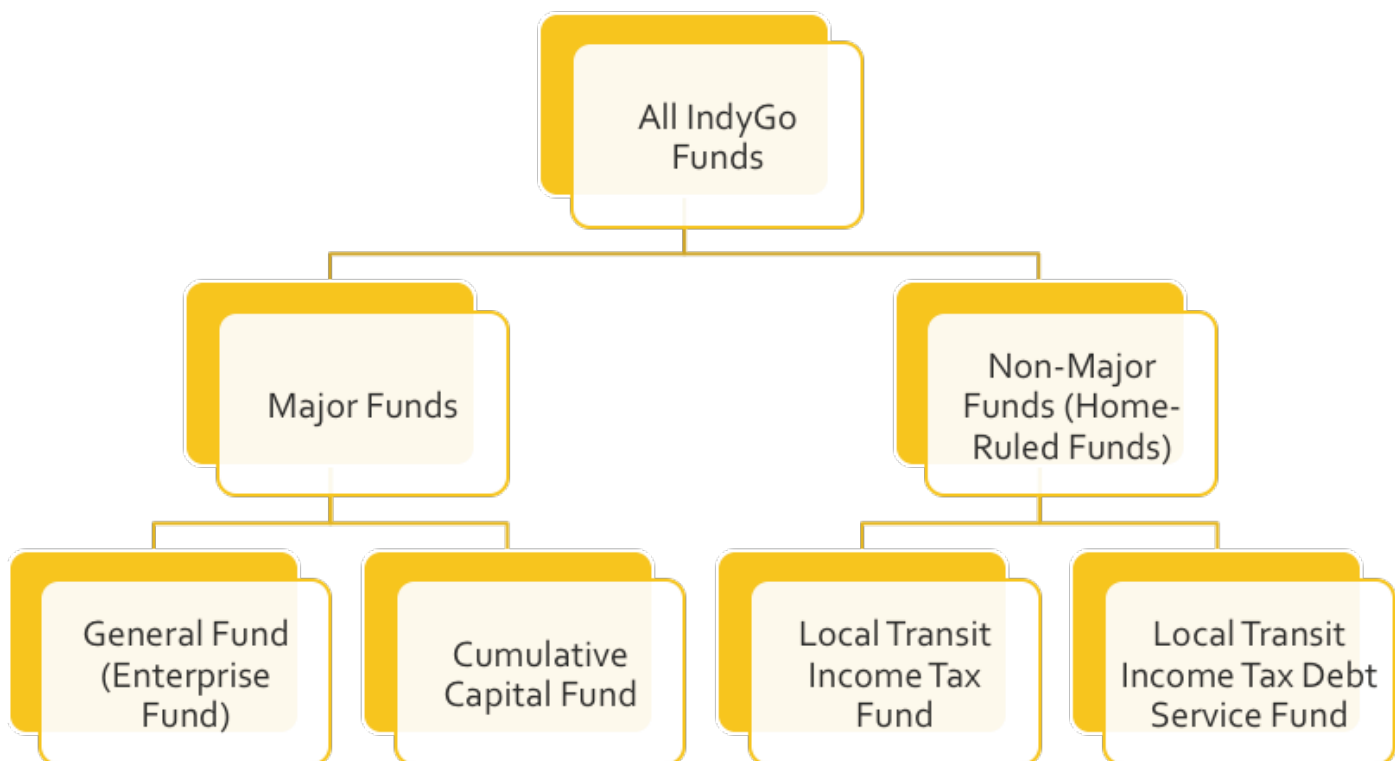
The operations of IPTC are accounted for as an enterprise fund on an accrual basis in accordance with all applicable Governmental Accounting Standards Board (GASB) pronouncements for accounting. The accrual method recognizes transactions and events when they occur, regardless if when cash is received 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 fund is used to fund transit improvement projects to create a connected network of buses and rapid transit lines, increase service frequency, extend operation hours and implement three new rapid transit lines.

## Local Transit Income Tax Debt Service Fund

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



## **SIGNIFICANT ASSUMPTIONS - REVENUE**

ORIGINAL SUBMISSION DATED JULY 30, 2018  
REVISED SUBMISSION DATED AUGUST 23, 2018

## REVENUES

- 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 \$5.2 million [original \$5.1 million] for 2019. It is assumed that IndyGo will collect 100% of the approved tax levies net of the circuit breaker for 2018 and a provision of 2% uncollectible was established for 2018. As in past years, IndyGo will require a special property tax levy of \$14.8M to balance the operating budget. It is to be noted that this levy is not imposing any additional burden on the tax payers.
- The State PMTF revenue is budgeted 2% [original 5%] higher over 2018 budget based on INDOT's final 2019 allocation letter out to the agencies that narrates SBA holding 3% reserve on the allocations.
- Beginning January 2018, IndyGo has started receiving monthly distribution of Local Transit Income Tax Revenue of its budgeted appropriation of \$52 million. The SBA estimates about \$56.8 million [original \$58 million] in Income Tax collection for 2019. IndyGo's proposed 2019 Budget includes utilization of the funding towards operational, capital & debt service expenditure needs.
- Current assumptions hold our Federal formula allocation flat with 2018. Unlike budget year 2018, IndyGo is budgeting its federal 5307 formula money towards preventative maintenance expenditures in its 2019 general fund budget instead of utilizing towards capital projects. This shift is caused by the new policy letter issued by Federal Transit Agency recently placing significantly more emphasis on local funding shares and public private partnerships for the projects seeking Capital Investment Grants (CIG) funding.
- In May 2018, IndyGo received the signed grant agreement for the Federal Small Starts funding for construction of the Red Line for \$75 million. Since federal grants are cost-reimbursable basis, IndyGo will be able to draw revenue as the construction spending occurs. It is anticipated that construction period will be through May 2018 to early fall 2019. Federal Revenue will be recognized between 2018 & 2019 fiscal years.
- Fare revenue for the budget period is estimated at \$10,000,000 consistent with the historical trend of last few years that IndyGo is experiencing.
- Service reimbursement Program (previously route guarantees) is expected to remain the same.
- Transit advertising revenue is expected to increase marginally based on the negotiated guaranteed amount agreed upon with the vendor.
- Transit Foundation is in development. IPTC is establishing the Foundation's Board and the by-laws to be filed with the State and Federal agencies.

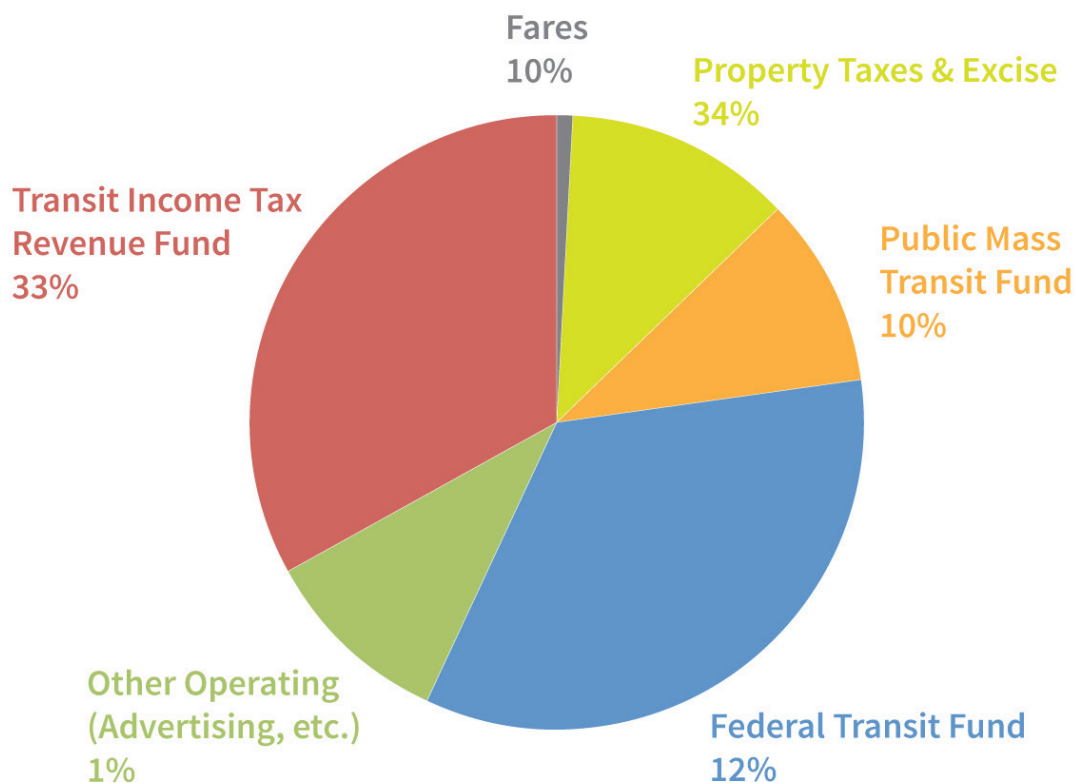
Note: Federal transit fund for 2019 includes \$8 million towards preventative maintenance expenditure needs.

## Operating Revenue Budget Summary

Original Submission Dated July 30, 2018  
Revised Submission Dated August 23, 2018

Revenue Sources	July 30, 2018		August 23, 2018			
	Approved 2018 Budget	2019 Proposed Budget	2019 Revised Budget	% of Total Revenue	2020 Projected Budget	% of Total Revenue
Fares	11,000,000	10,000,000	10,000,000	10%	10,500,000	9%
Property Taxes & Excise	35,192,642	36,137,207	35,768,031	34%	36,693,432	31%
Public Mass Transit Fund	10,710,544	11,255,572	10,956,604	10%	10,956,604	9%
Federal Transit Fund	4,092,093	12,092,093	12,092,093	12%	12,092,093	10%
Service Reimbursement Programs	400,243	400,232	400,232	0%	400,232	0%
Advertising	636,540	655,636	655,636	1%	680,000	1%
Other Operating	180,000	180,000	180,000	0%	180,000	0%
Transit Income Tax Revenue Fund	32,249,940	34,095,983	34,598,137	33%	45,006,967	39%
<b>Total</b>	<b>94,462,002</b>	<b>104,816,723</b>	<b>104,650,732</b>	<b>100%</b>	<b>116,509,328</b>	<b>100%</b>

## OPERATING REVENUE





### Property Taxes

IPTC records property taxes as earned in the year they are due and payable. Property taxes are collected by the County Treasurer and distributed to the local government in June and in December. State Statute IC 6-1.1-17-16 requires the Indiana Department of Local Government Finance to establish property tax rates and levies by January 15. These rates were based upon the preceding year's March 1 assessed valuation adjusted for various tax credits. All taxable property located within the IPTC taxing district is assessed annually March 1st.

The IPTC's taxing district 2019 assessed value as reported by the County Property Auditors Office is- \$38,831,253,267. This amount comprises 34% of IndyGo's 2019 operating revenue. For Fiscal year 2019, Property Tax Receipts for IPTC are estimated at \$39.1 million, 1.9 % higher than 2018 projected revenue. This revenue projection reflects property tax collected for the General Fund as well as Cumulative Capital Fund. 2019 Property Tax Revenues assume 3.4% growth in Assessed valuation as provided by SBA.

The following table shows the history of property tax revenue distribution for past 10 years. Over the period of these years, it has grown marginally on the annual basis. In order to balance its operating budget and avoid service cuts, IndyGo had proposed special property tax levy for the budget year 2012 and 2016 totaling \$14.5 million. Over the next few years, IndyGo anticipates property taxes AVGQ between 3 to 4 percent.



## INCOME TAX REVENUE

In November 2016, 59% of Marion County residents voted for the new dedicated funding to improve the 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.

Beginning January 1, 2018, IndyGo started receiving monthly distribution of Transit Income Tax Revenue Collections of the total appropriated revenue of \$52 million for the budget year 2018. As required by IC 6-3.6-9-5, before October 1 of each calendar year, the Budget Agency shall certify the local income tax distribution to the county based on the best information available regarding local income tax processed collections and local income tax rates at the time. Based on the SBA provided estimates for budget year 2019, Transit Income Tax revenue is budgeted at \$58 million or 33 % of the total revenue which is IndyGo's second largest source of total revenue.

IndyGo's two-year transit tax revenue budget is shown as below.

Local Revenue Sources	2018 Revenue Budget	2019 Revenue Budget
Local Transit Income Tax - Operating	32,249,940	34,598,137
Local Transit Income Tax - Capital	18,750,060	19,395,410
Local Transit Income Tax - Debt Service	1,000,000	2,864,800
Total Taxes	52,000,000	56,858,347

## PASSENGER SERVICE REVENUE

Passenger revenue consists of farebox revenue from fixed route buses, fares from Open Door paratransit service and sale of passes and tickets through the IndyGo retail operation.

Passenger service revenue does have a correlation to ridership. IPTC regularly experiences ridership and passenger service revenue fluctuations that are often influenced by seasons and the weather. Transit ridership is also affected by complex macro-economic factors like unemployment and consumer gas prices. Many transit agencies across the nation are experiencing similar downward trends in this category for last few years. Considering this trend, IndyGo is budgeting its passenger service revenue at \$10 million for 2019. It also should be noted that IndyGo has not had a fare increase since 2009.



## FEDERAL GRANT REVENUE

### Federal Assistance

This category includes formula-based allocations to IndyGo from the Federal Government. Every fiscal year, Congress authorizes the appropriations and the FTA allocates the dollars to the IndyGo. IndyGo could use the funds for Operating, planning, and capital, subject to specific regulations. These grants generally require a local funding match by IndyGo at a stipulated percentage of total project costs. Capital grant agreements with the FTA enable the FTA to hold a continuing interest in properties acquired and restricts their use to the provision of mass transportation services.

IndyGo receives Section 5307 Formula Funds (Urbanized Formula), Section 5339, and Section 5310 funds. The section 5307 Formula Funds allocation is distributed by formula to urbanized areas for transit planning, capital, and preventative Maintenance needs based on the population served and the amount of service provided. IndyGo may use these funds either for capital projects or Preventative maintenance. Discretionary grant programs are awarded based on meeting application requirements based on criteria specific to each fiscal year.

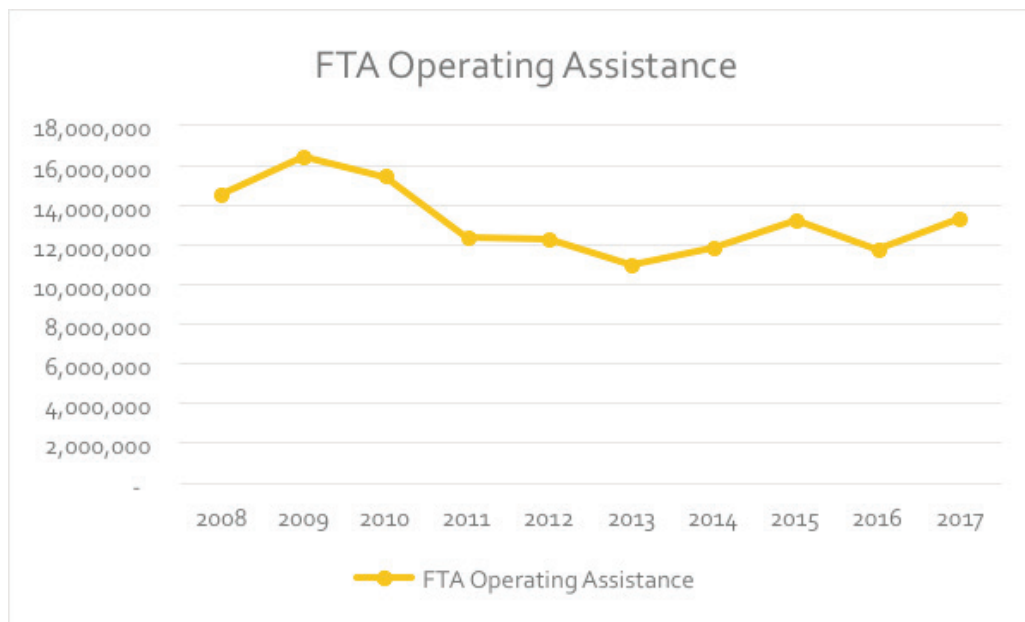
Section 5339 Bus and Bus facilities Program provides funding to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities including technological changes or innovations to modify low or no emission vehicles or facilities. Funding is provided through formula allocations and competitive grants. A sub-program provides competitive grants for bus and bus facility projects that support low and zero-emission vehicles.

Section 5310 funds are apportioned to states for support of transit services for Seniors and persons with disabilities. Also, as the designated recipient, IndyGo sets aside a portion of the funding for other qualified agencies to apply for that run transportation programs for senior and person with disabilities.

Section 5309 CIG Small Starts Grants is FTA's primary grant program for funding major transit capital investments.

Congestion Mitigation & Air Quality Improvement program grant (CMAQ) is a competitive grant among the 5307 program.

The chart below shows the trend in federal grant revenues over the past 10 years.



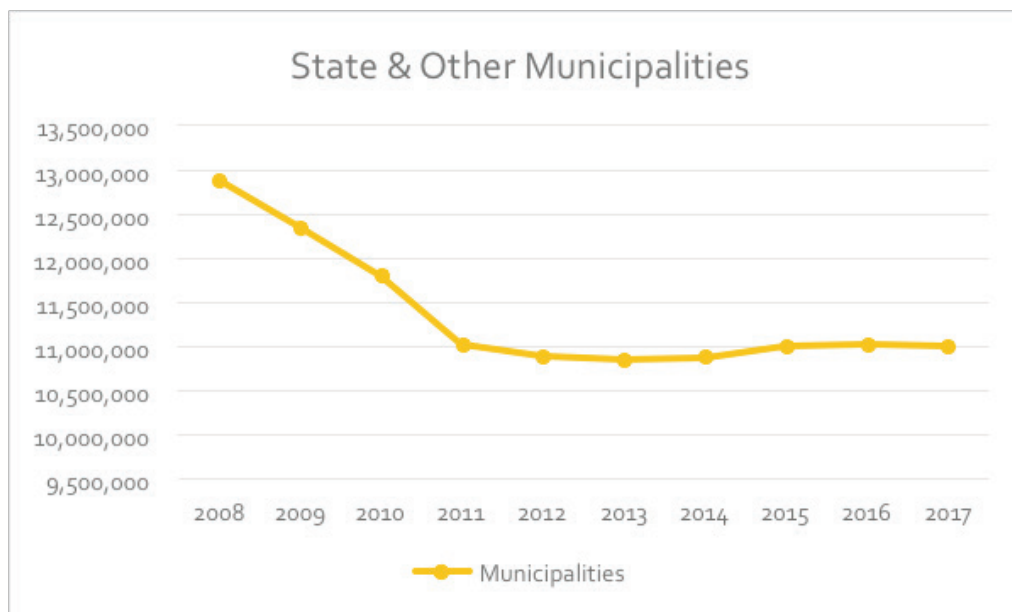
FTA federal assistance is fairly stable over the past few year and expected to grow marginally over the next few years.

## STATE FUNDING SOURCES

### Public Mass Transit Funds

IndyGo is an eligible recipient of the PMTF funds established by the Indiana State Legislature to promote and develop transportation in Indiana. The Indiana Department of Transportation administers the fund. The funds are awarded on a performance based formula designed by INDOT and reviewed and approved by the State Budget Agency to the recipient of the PMTF funds. (source: PMTF Management Guide)

The following chart shows combined revenue from State PMTF and service reimbursement programs with other municipalities such as Town of Speedway and Greenwood.



The State PMTF revenue is budgeted 2% higher over 2018 budget per the revenue projections received from INDOT. However, this revenue stream does not assume much growth year over year.

### Other Operating Revenue

This category comprises of revenue generated from financial transactions and investments, advertising contract, and other miscellaneous sources.

## **SIGNIFICANT ASSUMPTIONS - EXPENDITURES**

ORIGINAL SUBMISSION DATED JULY 30, 2018  
REVISED SUBMISSION DATED AUGUST 23, 2018



## EXPENDITURES

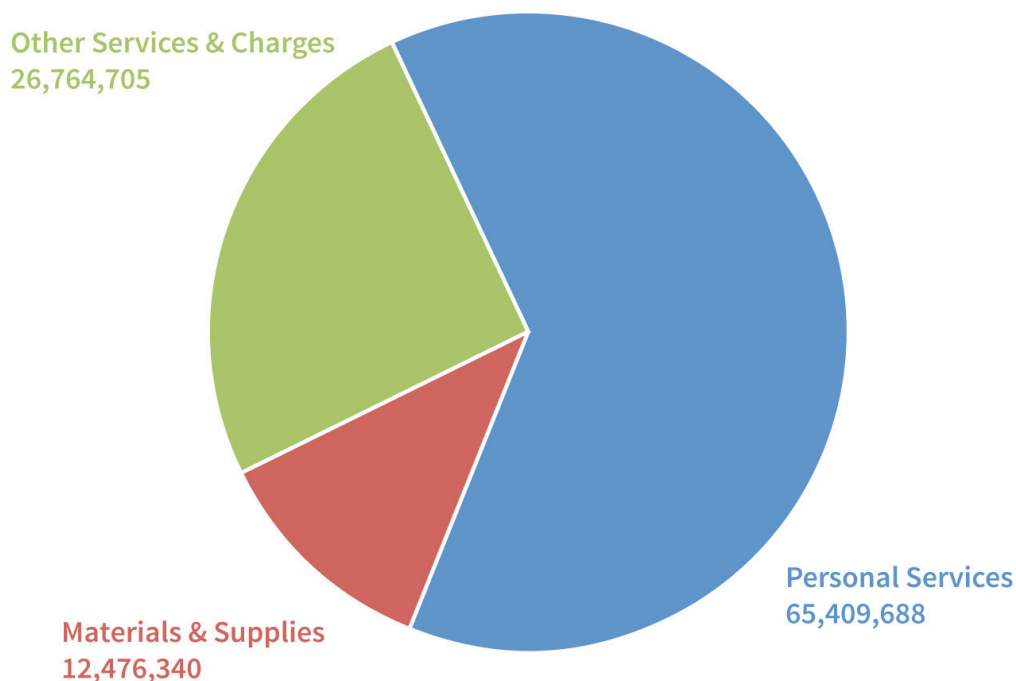
- IPTC plans to expand its services in 2018 and 2019 associated with the Marion County Transit Plan. In order to support and implement this plan, IPTC's 2019 operating budget includes additions of new positions across the agency. As a result, operating budget shows about 13% increase in the personnel costs.
- Healthcare costs would mostly likely see about 2% [original 12%] increase over 2018 budget due to the increased staffing.
- Premium Diesel Fuel costs have been budgeted at \$2.35 [original \$2.50] per gallon for 2 million [original 1.7 million] gallons for 2019. Given current market trends on diesel fuel, IPTC plans to secure another 6-12 month contract for 2019 fuel supply.

### Expenditure Categories

As with revenues, expenditures are estimated not only for the 2019 Budget Year, but also for the five consecutive out-years. The Operating budget include 5 years look ahead to demonstrate the longer-term impacts of various initiatives that's currently underway or planned in near future. Wages and benefits have a significant impact on the Operating budget for various reasons. IndyGo is planning to expand its labor force sizably to be able to better serve the MCTP. Pending renewal of the current collective bargaining agreement with the ATU 1070 and expected cost increases associated with health care & retirement are some of the challenges that IndyGo will be faced with.

Budgeted expenditures are organized into three main categories: Personal Services, Materials & Supplies, and Other Services & Charges. Proposed operating expenditures for 2019 are outlined by category in the chart below.

## 2019 PROPOSED OPERATING EXPENDITURES



## PERSONAL SERVICES

IndyGo's largest ongoing annual operating expenditure is Personal Services. Personal Services includes all employee salary and fringe benefits, as well as overtime and payroll taxes. Budgeted full time equivalent (FTE) staffing for 2019 is 890.0 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.

Recent increases in the Personal Services category are nearly entirely associated with the growth in staffing levels needed to support the service expansion outlined in the Marion County Transit plan.

## 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. This budget category also contains expenses for IndyGo's purchased transportation agreement for paratransit services.

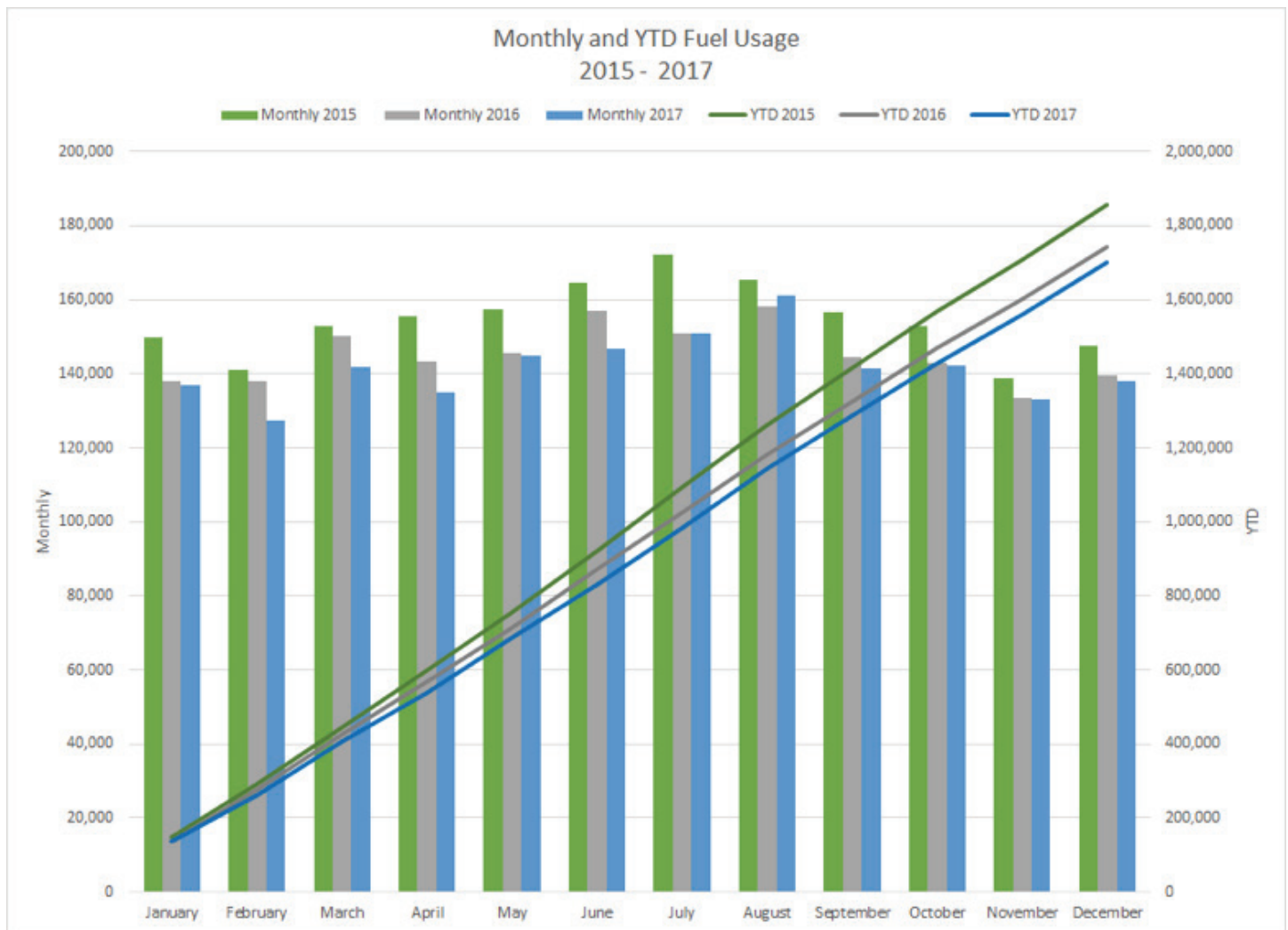
The Julia M. Carson Transit Center opened in downtown Indianapolis during 2016 and as a result, utility and contracted services related to security and building maintenance have increased to cover the needs of this additional facility. Professional services are the services provided by the third-party vendors/consultants with the subject matter expertise and niche in the respective 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. Year-over-year fixed route fuel consumption has decreased from 2015 to 2017 because of increased fleet fuel efficiency and the addition of fully electric vehicles. Budget year 2019 is expected to see a rise in fuel consumption over prior years, as both fleet size and miles traveled per vehicle are planned to increase.



## **EXPENDITURE BUDGET SUMMARY**

## Operating Expenditure budget summary – 5 year look ahead

	2018 Adopted	2019 Proposed
Operating Expense Budget	\$94.5 million	\$104.6 million

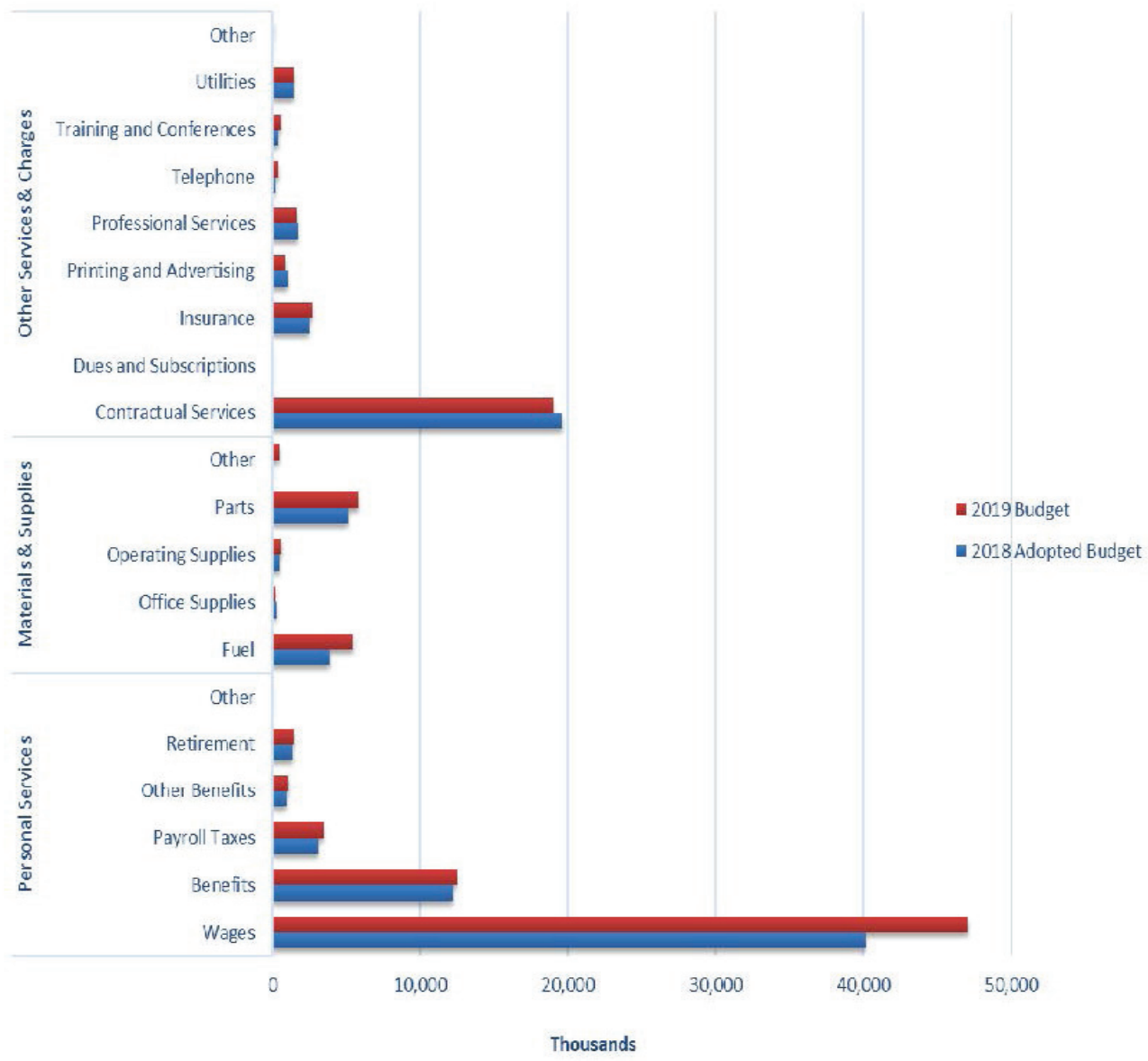
Original Submission Dated July 30, 2018  
Revised Submission Dated August 23, 2018

### 5 Year Operating Plan Summary

Account Category	Unaudited Actual 2017	2018 Adopted Budget	2019 Revised Budget	2020 Projected Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget
<b>Personal Services</b>							
Wages	30,672,896	40,158,929	47,052,809	53,919,635	56,615,617	59,446,398	60,635,326
Benefits	7,387,842	12,189,213	12,447,578	13,219,142	14,276,674	15,418,807	16,652,312
Payroll Taxes	2,276,494	3,072,155	3,441,755	3,957,788	4,331,095	4,547,649	4,638,602
Other Benefits	716,947	954,850	1,054,600	1,122,200	1,178,310	1,237,226	1,299,087
Retirement	1,025,747	1,338,545	1,412,946	1,515,000	1,338,545	1,405,473	1,475,746
<b>Personal Services Total</b>	<b>42,079,926</b>	<b>57,713,692</b>	<b>65,409,688</b>	<b>73,733,766</b>	<b>77,740,241</b>	<b>82,055,553</b>	<b>84,701,073</b>
<b>Materials &amp; Supplies</b>							
Fuel	3,244,021	3,829,750	5,464,000	5,617,580	5,898,459	6,193,382	6,503,051
Office Supplies	63,457	239,527	170,900	200,990	211,040	221,591	232,671
Operating Supplies	220,299	485,636	573,940	647,900	680,295	714,310	750,025
Parts	4,161,640	5,107,500	5,790,000	5,819,500	6,110,475	6,415,999	6,736,799
Other	432,847	68,500	477,500	560,000	588,000	617,400	648,270
<b>Materials &amp; Supplies Total</b>	<b>8,122,265</b>	<b>9,730,913</b>	<b>12,476,340</b>	<b>12,845,970</b>	<b>13,488,269</b>	<b>14,162,682</b>	<b>14,870,816</b>
<b>Other Services &amp; Charges</b>							
Contractual Services	14,050,133	19,603,184	19,031,479	21,961,855	23,059,948	24,212,945	25,423,592
Dues and Subscriptions	60,519	68,000	73,985	74,460	78,183	82,092	86,197
Insurance	2,535,904	2,475,584	2,709,520	2,956,220	3,104,031	3,259,233	3,422,194
Printing and Advertising	492,592	1,023,500	892,150	840,650	882,683	926,817	973,157
Professional Services	2,032,123	1,714,102	1,643,813	1,573,847	1,652,539	1,735,166	1,821,925
Telephone	196,395	200,000	368,048	369,048	387,500	406,875	427,219
Training and Conferences	132,048	394,505	498,580	535,312	562,078	590,181	619,691
Utilities	876,599	1,465,000	1,450,000	1,588,000	1,667,400	1,750,770	1,838,309
Other	(134,597)	73,520	97,130	30,200	31,710	33,296	34,960
<b>Other Services &amp; Charges Total</b>	<b>20,241,716</b>	<b>27,017,395</b>	<b>26,764,705</b>	<b>29,929,592</b>	<b>31,426,072</b>	<b>32,997,375</b>	<b>34,647,244</b>
<b>Grand Total</b>	<b>70,443,907</b>	<b>94,462,000</b>	<b>104,650,732</b>	<b>116,509,328</b>	<b>122,654,581</b>	<b>129,215,610</b>	<b>134,219,133</b>



# BUDGET COMPARISON BY EXPENDITURE CATEGORY

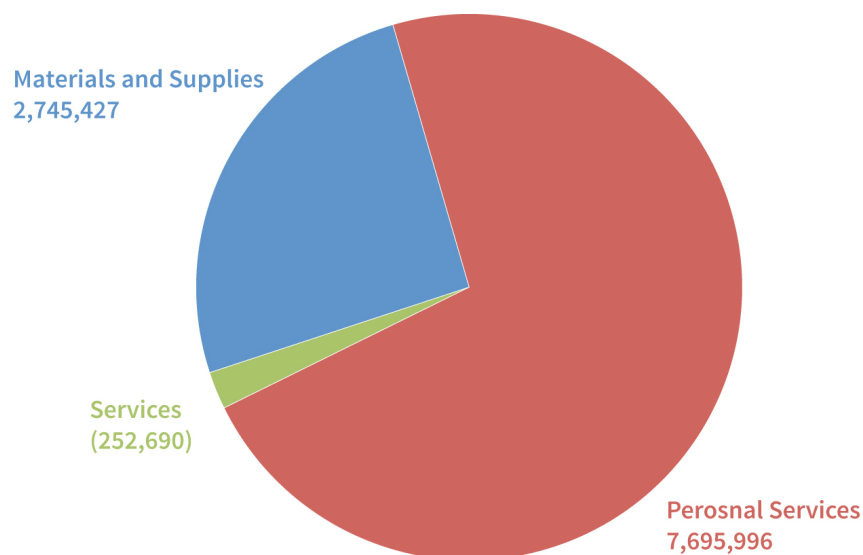


## VARIANCE ANALYSIS

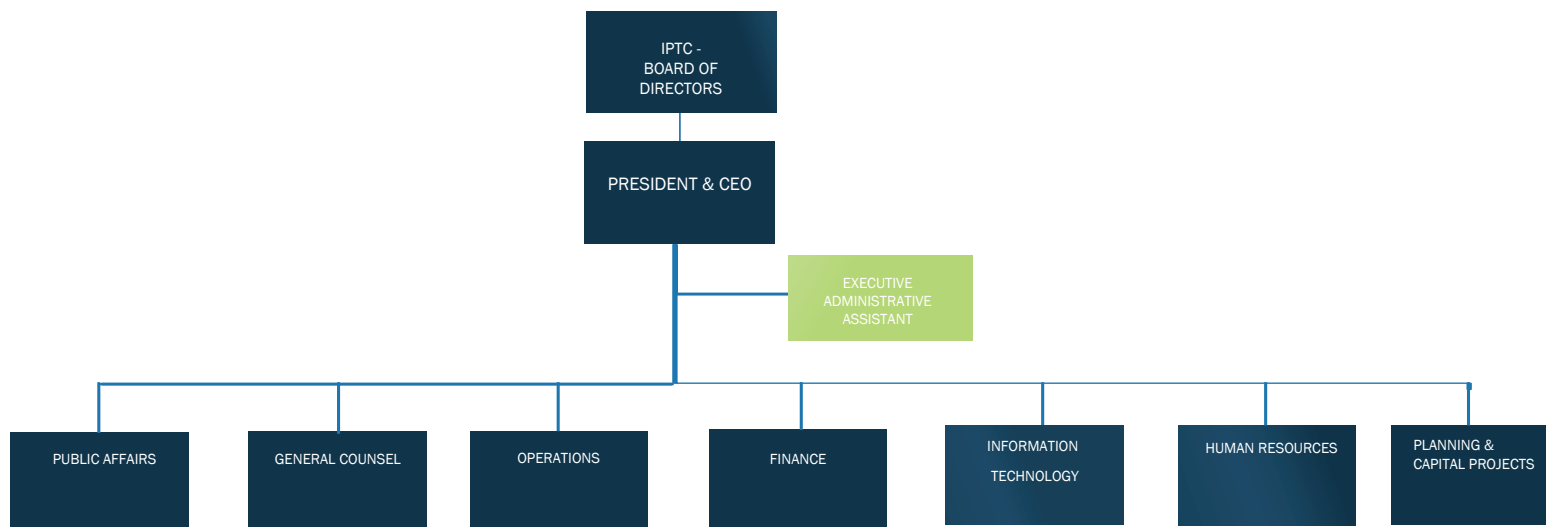
The following table outlines the areas of growth in the 2019 proposed operating budget over the budget adopted for operating expenditures in 2018.

2018 Adopted Operating Budget			\$ 94,462,000
Personal Services			\$ 7,695,996
Salary		\$ 6,893,880	
Benefits (Health insurance)		\$ 358,115	
Payroll Taxes (FICA)		\$ 369,600	
Other Personal Services (Retirement)		\$ 74,401	
Materials and Supplies			\$ 2,745,427
Fuel (2019 - 2M Gallons @ \$2.35) vs (2018 - 1.875M Gallons @\$1.85)		\$ 1,634,250	
Parts (Vehicle Maintenance needs)		\$ 682,500	
Office and Other Operating Supplies (Hardware to support Staffing)		\$ 428,677	
Services			\$ (252,690)
Contracted and Professional Services		\$ (773,344)	
Other Services and Charges		\$ 286,718	
Insurance (Workmen's Comp & Settlement claims)		\$ 233,936	
2019 Revised Operating Budget			\$ 104,650,732

## EXPENDITURE OF GROWTH OVER 2018 APPROVED BUDGET



## ORGANIZATION CHART - INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION



## Departmental Summary – Operations

Operations Division includes fixed route transportation, Open Door para-transit services, vehicle maintenance, facility maintenance, security, and training.

- a. Fixed route transportation is responsible for delivering all 31 fixed route service seven days a week. This includes operators, supervisors, radio room, Transit Center management, and scheduling.
- b. Open Door para-transit is provided county-wide and is a reservation and application based service for those individuals unable to use fixed-route for all trips.
- c. Vehicle maintenance/ Fleet services is the department responsible for maintaining diesel, hybrid-electric, and electric fixed-route buses to maintain service on the road.
- d. Facilities Maintenance is responsible for maintaining the building and grounds.
- e. Training and Security oversee training of Operations staff, and Security ensures the agency adheres to FTA regulations for safety and security at the Julia M. Carson Transit Center, at Headquarters, and on all vehicles.

## Departmental Summary – Administration

- a. Executive team sets strategic direction for organization.
- b. Finance Department is responsible for budget management, accounts payable, treasury and procurement.
- c. Human Resources is responsible for new-hire orientation, execution and management of employee benefits, union collective bargaining, and the hiring process.
- d. Legal ensures compliance with federal, state, and local regulations.
- e. Public Affairs directs government and media relations, outreach and engagement strategy, internal and external communications, and strategic partnerships.
- f. Information Technology manages all IT infrastructure both for operations and administration.
- g. Planning and Capital Projects directs long and short-term capital projects, service planning and enhancements, and oversees the implementation of the rapid transit lines.



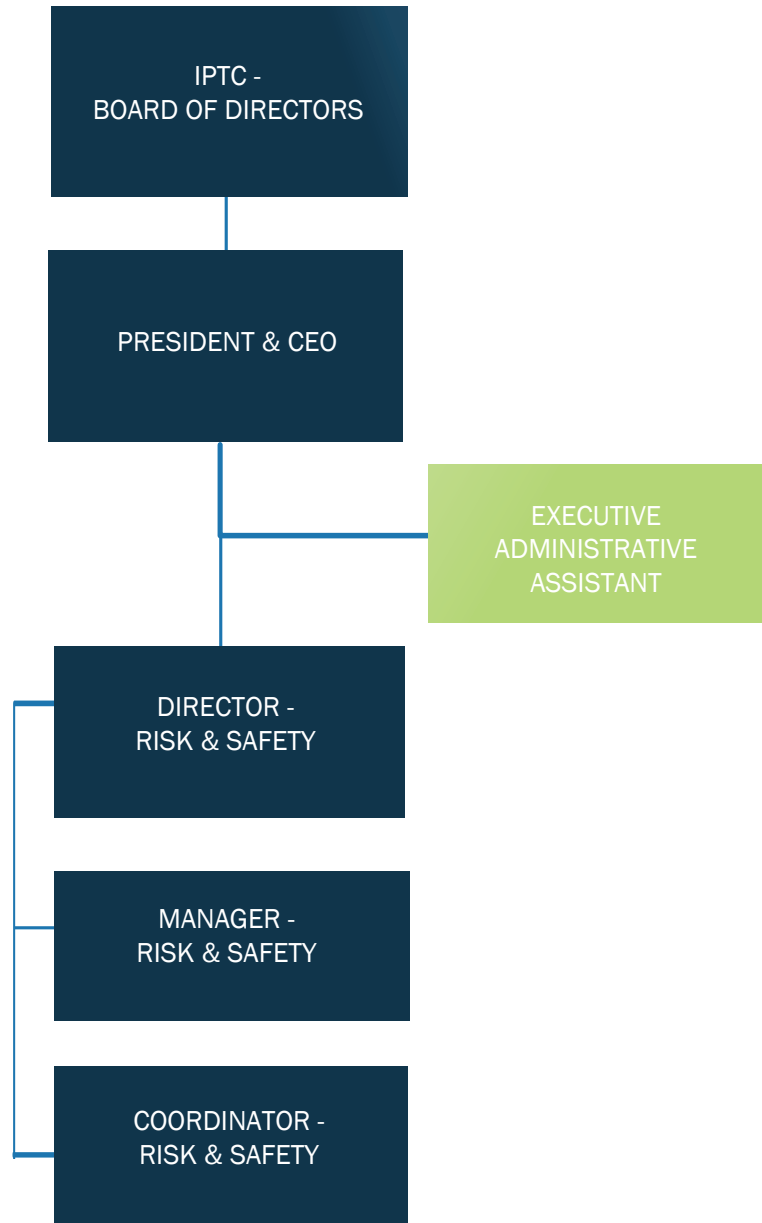
## Comparative Departmental Budget Summary

Dept.	Dept. Description	FY19	FY19	FY18	FY19 vs. FY18	FY19 vs. FY18
		FTE Count	Revised Budget	Adopted Budget	\$ Increase / (Decrease)	% Increase / (Decrease)
10	Executive	10.0	1,113,774	713,440	400,334	56%
11	Public Affairs & Communications	18.5	2,636,618	2,564,333	72,285	3%
12	Legal	4.5	2,602,367	2,297,484	304,883	13%
21	Transportation	561.0	29,488,547	25,691,692	3,796,855	15%
23	Training & Security	14.0	2,235,949	1,603,773	632,176	39%
25	Flexible & Contracted Services	7.0	12,647,361	12,162,171	485,190	4%
29	Fleet & Inventory Control	43.5	9,081,468	7,287,200	1,794,268	25%
31	Preventative Maintenance & Repairs	108.5	12,428,024	10,747,247	1,680,777	16%
33	Facilities	13.5	3,959,710	4,514,425	(554,715)	-12%
40	Information Technology	20.5	3,226,226	2,587,974	638,252	25%
41	Finance	26.0	2,818,407	2,344,612	473,795	20%
43	Procurement	10.0	686,168	1,018,138	(331,970)	-33%
44	Human Resources	15.0	16,807,481	16,189,130	618,351	4%
45	DTC	19.0	3,042,569	2,642,232	400,337	15%
46	Planning & Capital Projects	19.0	1,876,063	2,098,148	(222,085)	-11%
		890.0	104,650,732	94,462,000	10,188,732	11%

## Departmental FTE summary

Budgeted FTE Count by Division					Budgeted FTE Count for Operations Division by Department				
	2017	2018	2019	2020		2017	2018	2019	2020
Executive	3.0	5.0	10.0	10.0	Transportation	389.0	467.0	562.0	596.0
Public Affairs & Communications	8.0	15.5	18.5	18.5	Training & Security	5.0	13.0	14.0	25.0
Legal	4.0	4.5	4.5	4.5	Flexible & Contracted Services	4.0	7.0	7.0	7.0
Operations	514.0	654.5	767.5	850.0	Vehicle Maintenance	90.0			
Information Technology	10.0	12.0	20.5	20.5	Fleet & Inventory Control		43.0	42.5	52.0
Finance	28.0	34.0	36.0	36.0	Preventative Maintenance & Repairs		96.0	108.0	134.0
Human Resources	9.0	12.5	14.0	14.0	Facilities	10.0	14.0	14.0	14.0
Planning & Capital Projects	6.0	18.0	19.0	19.0	DTC	16.0	18.0	20.0	22.0
Grand Total	582.0	756.0	890.0	972.5	Grand Total	514.0	658.0	767.5	850.0





## EXECUTIVE

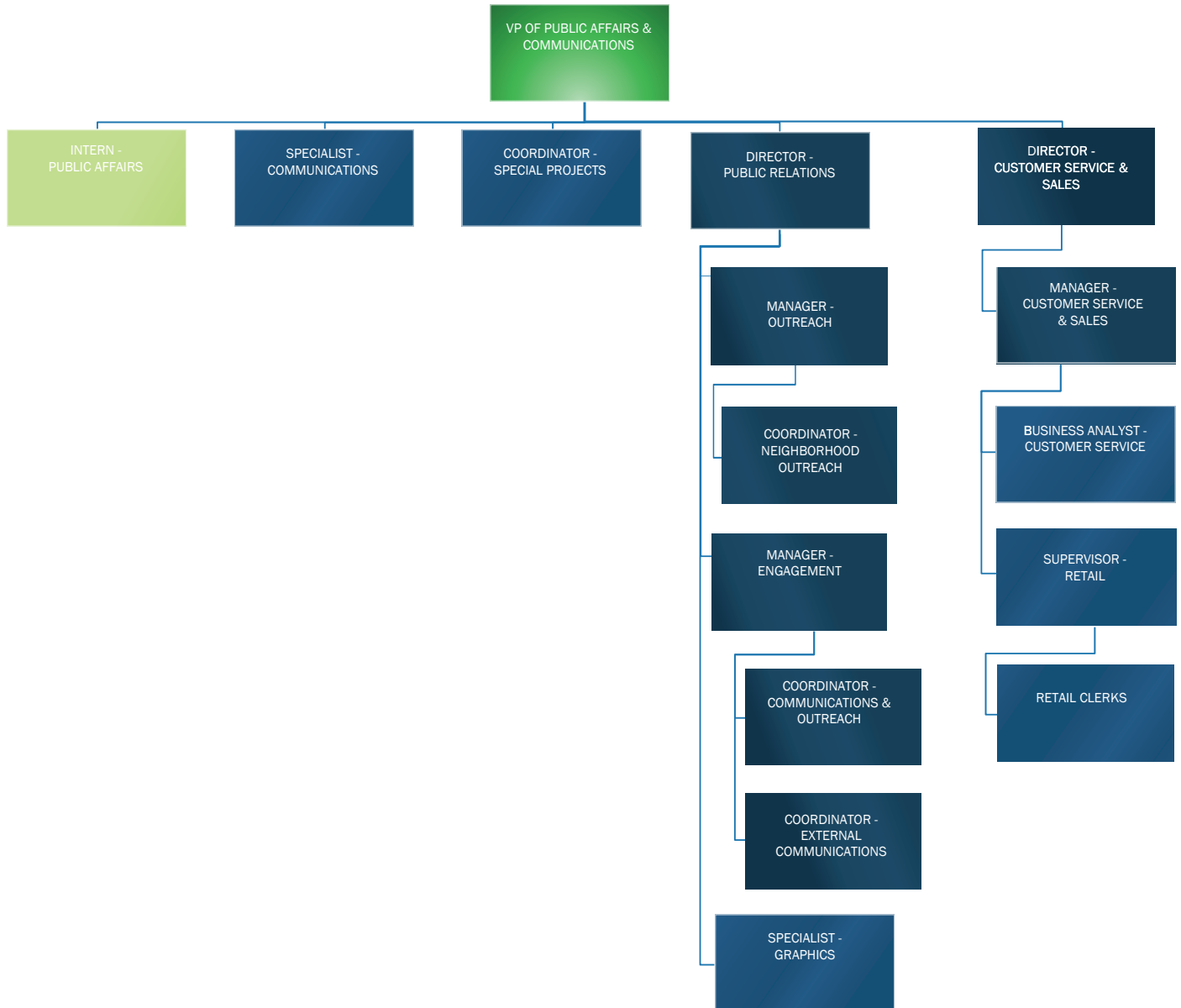
	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 232,356	\$409,234	\$ 802,391
Benefits	\$ 9,215	\$ -	\$ -
Payroll Taxes	\$ 23,548	\$ 31,306	\$ 61,383
<b>Personal Services Total</b>	<b>\$ 265,120</b>	<b>\$440,540</b>	<b>\$ 863,774</b>
<b>Materials &amp; Supplies</b>			
Office Supplies	\$ 161	\$ 1,500	\$ 2,000
Operating Supplies	\$ 9	\$ -	\$ 100
<b>Materials &amp; Supplies Total</b>	<b>\$ 170</b>	<b>\$ 1,500</b>	<b>\$ 2,100</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 3,500	\$ -	\$ -
Dues and Subscriptions	\$ 52,302	\$ 60,000	\$ 60,000
Other	\$ 7,706	\$ 30,000	\$ 10,000
Printing and Advertising	\$ 2,550	\$ 14,000	\$ 9,500
Professional Services	\$ 100,466	\$150,000	\$ 150,000
Training and Conferences	\$ 29,406	\$ 9,000	\$ 10,000
<b>Other Services &amp; Charges Total</b>	<b>\$ 195,929</b>	<b>\$263,000</b>	<b>\$ 239,500</b>
<b>Total</b>	<b>\$ 461,220</b>	<b>\$705,040</b>	<b>\$ 1,105,374</b>

Increases to the Executive budget for 2019 are driven by the addition of staff for IndyGo's newly formed Project Management Office (PMO). The PMO will oversee all major projects within the agency. The budgets for Personal Services and Materials & Supplies remain consistent with prior year expenditures and budgets. Risk & safety department is restructured to report under executive umbrella (formerly under Operations division) and above summary reflects this change from prior year.

## FTE SUMMARY

	2017	2018	2019	2020
Executive	2.0	5.0	10.0	10.0
Grand Total	2.0	5.0	10.0	10.0

# PUBLIC AFFAIRS & COMMUNICATIONS



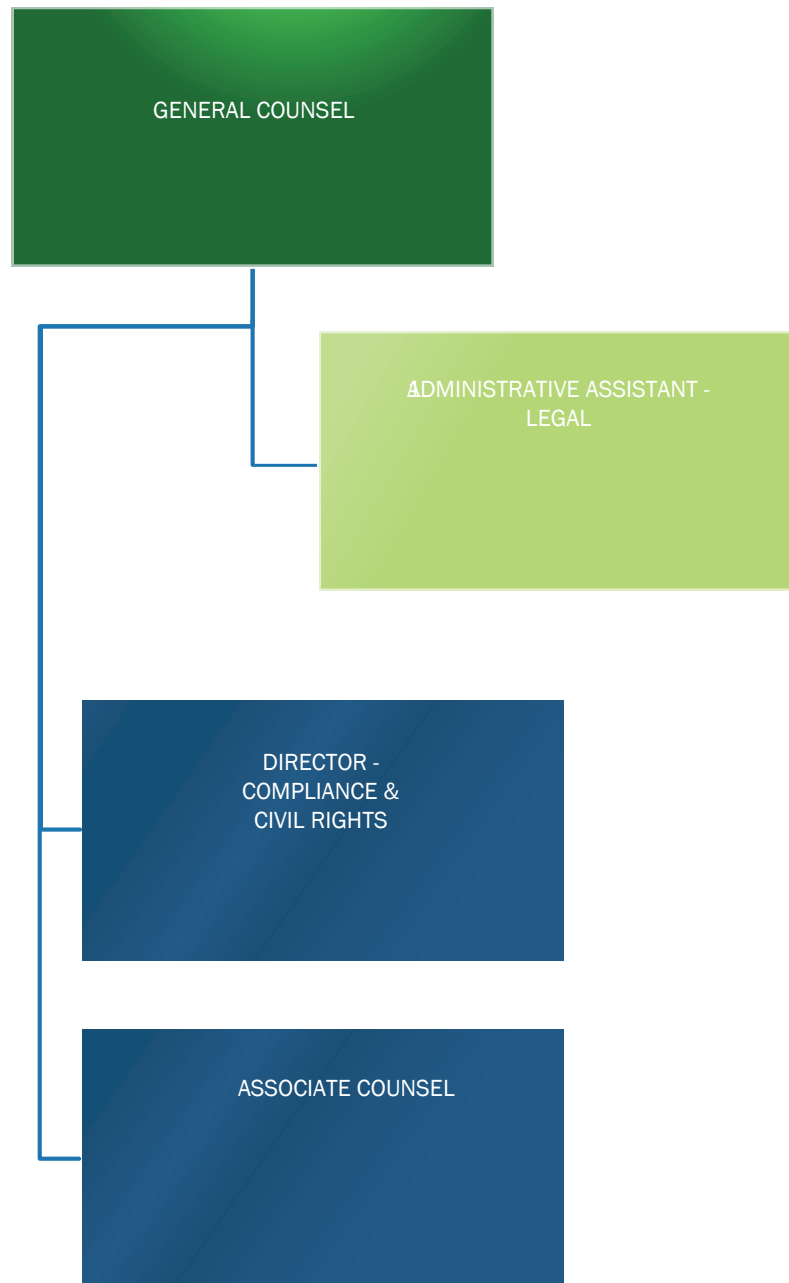
## PUBLIC AFFAIRS & COMMUNICATIONS

	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 753,235	\$ 689,023	\$ 959,236
Benefits	\$ 71,091	\$ -	\$ -
Payroll Taxes	\$ 50,802	\$ 52,710	\$ 73,382
<b>Personal Services Total</b>	<b>\$ 875,129</b>	<b>\$ 741,733</b>	<b>\$ 1,032,618</b>
<b>Materials &amp; Supplies</b>			
Office Supplies	\$ 87	\$ 2,000	\$ 5,000
Operating Supplies	\$ 2,927	\$ 2,600	\$ 3,000
Other	\$ 2,500	\$ -	\$ -
Parts	\$ -	\$ -	\$ 1,000
<b>Materials &amp; Supplies Total</b>	<b>\$ 5,514</b>	<b>\$ 4,600</b>	<b>\$ 9,000</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 710,747	\$ 933,000	\$ 865,000
Dues and Subscriptions	\$ 625	\$ -	\$ -
Other	\$ 3,137	\$ -	\$ 5,000
Printing and Advertising	\$ 431,452	\$ 865,000	\$ 705,000
Professional Services	\$ 14,577	\$ -	\$ -
Training and Conferences	\$ 4,863	\$ 20,000	\$ 20,000
<b>Other Services &amp; Charges Total</b>	<b>\$ 1,165,402</b>	<b>\$ 1,818,000</b>	<b>\$ 1,595,000</b>
<b>Total</b>	<b>\$ 2,046,044</b>	<b>\$ 2,564,333</b>	<b>\$ 2,636,618</b>

Personal Services for Public Affairs & Communications are planned to increase during budget year 2019 to support additional marketing and outreach needs, as well as the implementation of IndyGo's strategic plan. Contractual Services include expenses for IndyGo's retail pass sales and customer service contract. New contracts for website development and integration are planned for 2019, with maintenance costs projected into 2020. Printing and Advertising budget includes communication and outreach materials for the Red Line, Purple Line, and additional upcoming network improvements.

### FTE SUMMARY

	2017	2018	2019	2020
Public Affairs & Communications	8.0	15.5	18.5	18.5
Grand Total	8.0	15.5	18.5	18.5





## LEGAL

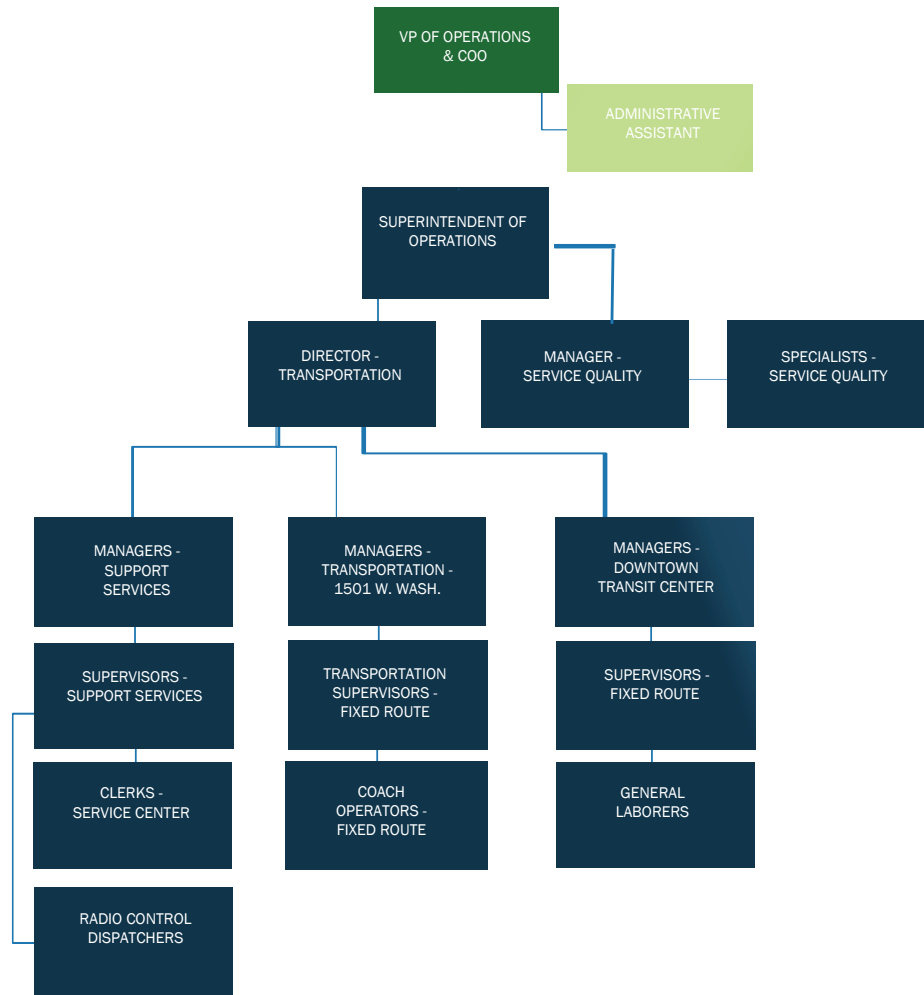
	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 229,796	\$ 311,179	\$ 345,441
Benefits	\$ 27,206	\$ -	\$ -
Payroll Taxes	\$ 17,505	\$ 23,805	\$ 26,426
<b>Personal Services Total</b>	<b>\$ 274,507</b>	<b>\$ 334,984</b>	<b>\$ 371,867</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 41,652	\$ 50,000	\$ 110,000
Dues and Subscriptions	\$ 99	\$ -	\$ 1,500
Insurance	\$1,947,587	\$ 1,455,000	\$ 1,642,500
Other	\$ (283,046)	\$ (125,000)	\$ (150,000)
Professional Services	\$ 565,432	\$ 567,500	\$ 605,000
Training and Conferences	\$ 2,844	\$ 15,000	\$ 21,500
<b>Other Services &amp; Charges Total</b>	<b>\$2,274,568</b>	<b>\$ 1,962,500</b>	<b>\$ 2,230,500</b>
<b>Total</b>	<b>\$2,549,075</b>	<b>\$ 2,297,484</b>	<b>\$ 2,602,367</b>

Auto liability insurance and the associated third-party administration fees are the largest expense items of the Legal Department's Insurance budget. Settlement costs, attorney litigation expense and contracted attorney services also represent significant budget amounts.

## FTE SUMMARY

	2017	2018	2019	2020
Legal	4.0	4.5	4.5	4.5
<b>Grand Total</b>	<b>4.0</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>

# TRANSPORTATION



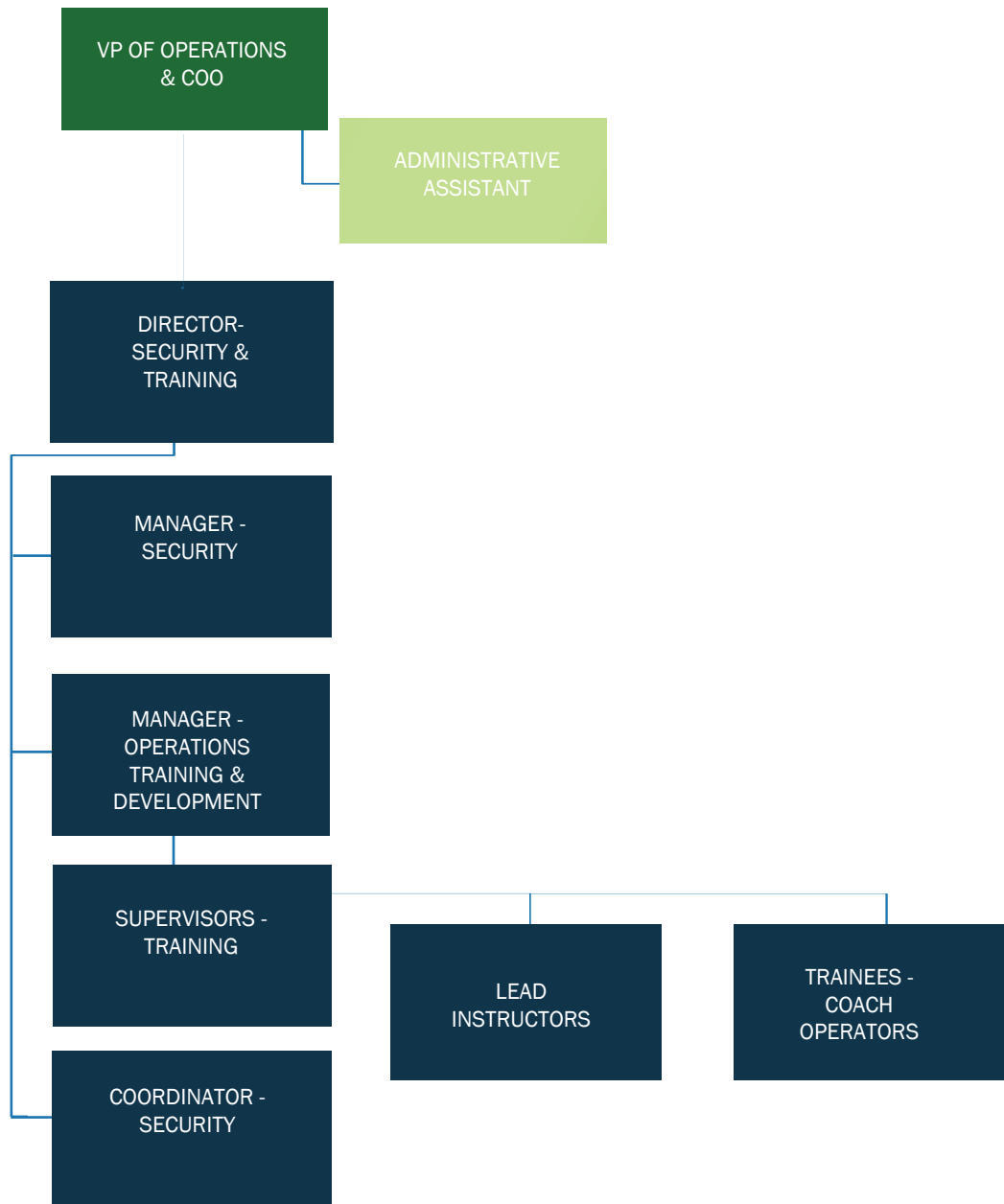
## TRANSPORTATION

	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 20,566,711	\$ 24,128,412	\$28,140,004
Benefits	\$ 3,995,385	\$ -	\$ -
Payroll Taxes	\$ 1,503,720	\$ 1,845,823	\$ 2,152,710
Retirement	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -
Other Benefits	\$ 130,794	\$ 176,850	\$ 249,000
<b>Personal Services Total</b>	<b>\$ 26,196,610</b>	<b>\$ 26,151,085</b>	<b>\$30,541,714</b>
<b>Materials &amp; Supplies</b>			
Office Supplies	\$ 19,955	\$ 140,000	\$ 59,000
Operating Supplies	\$ 42,224	\$ 10,000	\$ 1,000
Other	\$ 72,300	\$ -	\$ 10,000
Parts	\$ 13,125	\$ -	\$ -
<b>Materials &amp; Supplies Total</b>	<b>\$ 147,603</b>	<b>\$ 150,000</b>	<b>\$ 70,000</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 1,393,768	\$ 1,861,724	\$ 1,746,124
Dues and Subscriptions	\$ 970	\$ -	\$ -
Other	\$ 3,646	\$ 12,200	\$ 45,050
Printing and Advertising	\$ 743	\$ -	\$ -
Professional Services	\$ 23,036	\$ -	\$ -
Telephone	\$ 6,290	\$ 20,000	\$ 13,048
Training and Conferences	\$ 8,745	\$ 23,915	\$ 30,180
Utilities	\$ 53,075	\$ 115,000	\$ 85,000
<b>Other Services &amp; Charges Total</b>	<b>\$ 1,490,275</b>	<b>\$ 2,032,839</b>	<b>\$ 1,919,402</b>
<b>Total</b>	<b>\$ 27,834,488</b>	<b>\$ 28,333,924</b>	<b>\$32,531,116</b>

Wages, the largest budgeted line item for Transportation in 2019 and 2020, are expected to increase by roughly \$4m year over year. These increases are necessary as IndyGo builds out and staffs up for full implementation of the Marion County Transit plan. Professional Coach Operator budgeted positions will increase from 429 in 2018 to 500 and 575 in 2019 and 2020, respectively. Additional support and supervisor staff positions have also been budgeted, in proportion to planned operator increases.

## FTE SUMMARY

	2017	2018	2019	2020
Transportation	389.0	466.0	562.0	596.0
DTC Operations	16.0	18.0	20.0	22.0
<b>Grand Total</b>	<b>405.0</b>	<b>484.0</b>	<b>582.0</b>	<b>618.0</b>



## TRAINING & SECURITY

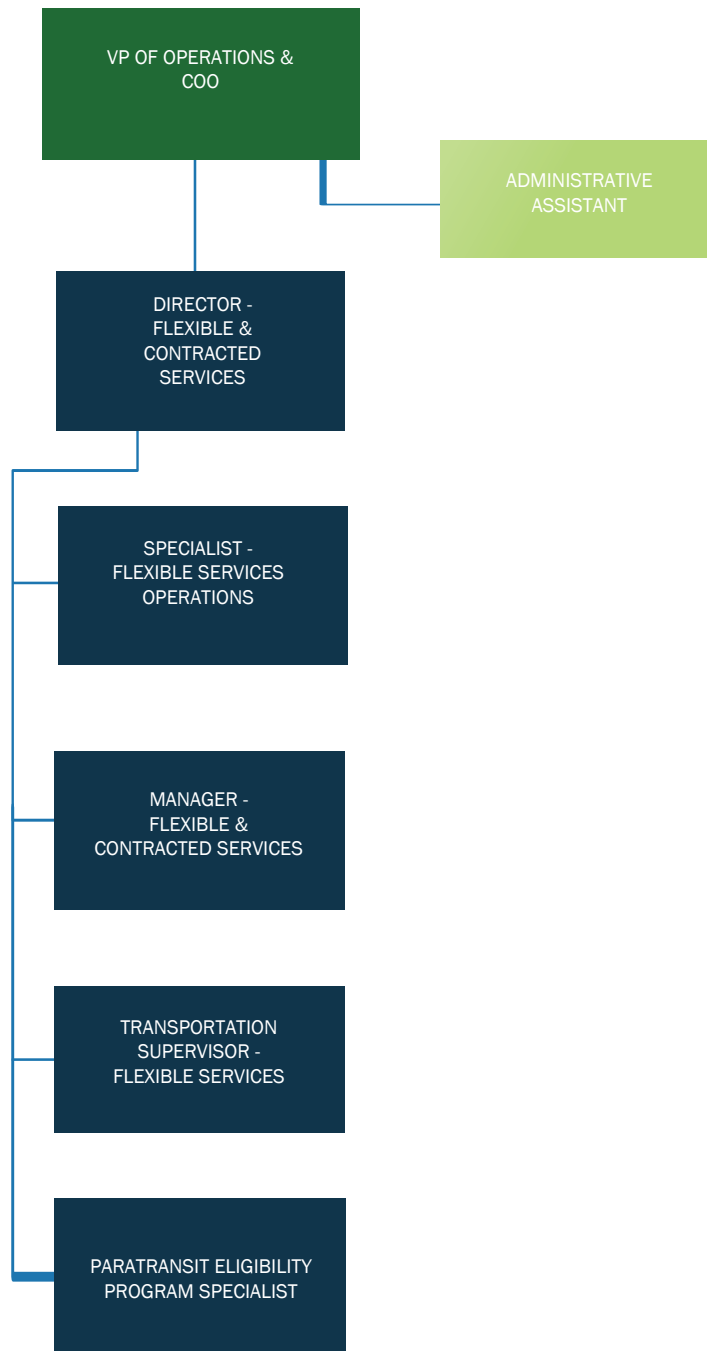
	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ -	\$ 637,736	\$ 837,418
Benefits	\$ -	\$ -	
Payroll Taxes	\$ -	\$ 48,787	\$ 64,062
<b>Personal Services Total</b>	<b>\$ -</b>	<b>\$ 686,523</b>	<b>\$ 901,480</b>
<b>Materials &amp; Supplies</b>			
Office Supplies	\$ 17	\$ 9,000	\$ 7,000
Operating Supplies	\$ -	\$ 37,000	\$ 38,750
<b>Materials &amp; Supplies Total</b>	<b>\$ 17</b>	<b>\$ 46,000</b>	<b>\$ 45,750</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ -	\$ 858,250	\$ 1,265,719
Training and Conferences	\$ -	\$ 13,000	\$ 23,000
<b>Other Services &amp; Charges Total</b>	<b>\$ -</b>	<b>\$ 871,250</b>	<b>\$ 1,288,719</b>
<b>Total</b>	<b>\$ 17</b>	<b>\$ 1,603,773</b>	<b>\$ 2,235,949</b>

Training & Security is responsible for maintaining the security services contract for IndyGo. Beginning in 2019, a new contract for security services will be entered into that will include new services for fare enforcement as well as increases to correspond with planned service expansions. Additional staffing needs for 2019 include 2 new training supervisors to handle the growth in new coach operator hires.

### FTE SUMMARY

	2017	2018	2019	2020
Training & Security	5.0	13.0	14.0	25.0
Grand Total	5.0	13.0	14.0	25.0

## FLEXIBLE SERVICES





## FLEXIBLE SERVICES

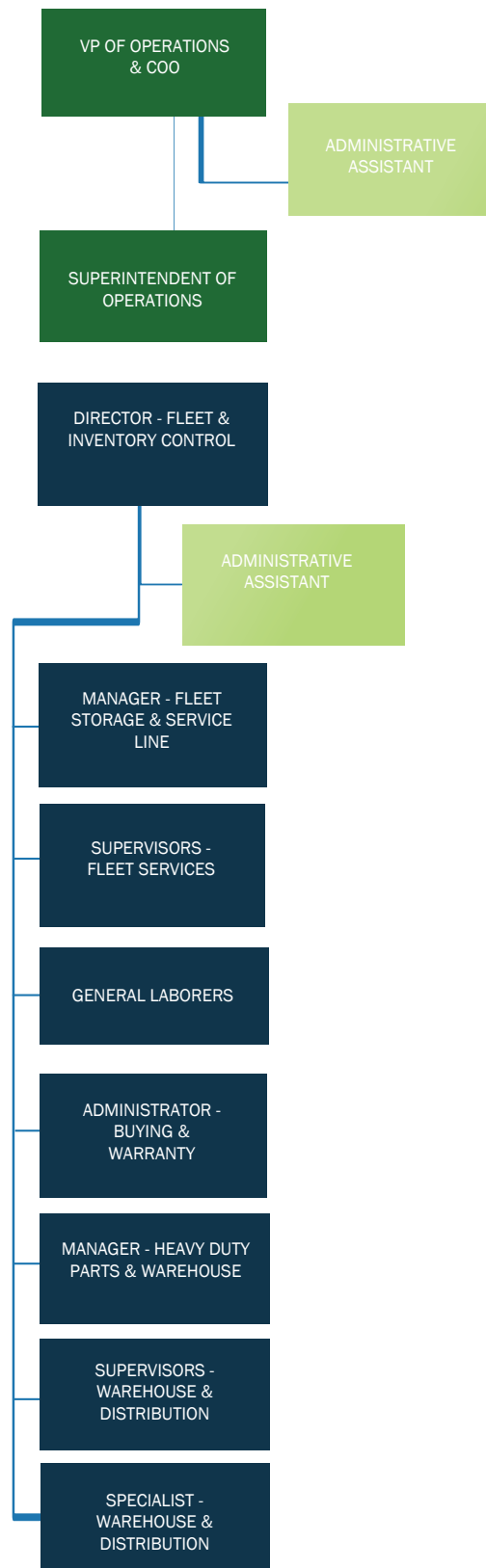
	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 255,256	\$ 423,958	\$ 434,003
Benefits	\$ 28,980	\$ -	\$ -
Payroll Taxes	\$ 19,183	\$ 32,433	\$ 33,201
<b>Personal Services Total</b>	<b>\$ 303,419</b>	<b>\$ 456,391</b>	<b>\$ 467,204</b>
<b>Materials &amp; Supplies</b>			
Fuel	\$ (48,736)	\$ 18,000	\$ 386,000
Office Supplies	\$ 2,169	\$ 5,000	\$ 4,000
Operating Supplies	\$ 60	\$ 2,000	\$ 1,500
Parts	\$ 2,091	\$ 12,500	\$ 10,000
<b>Materials &amp; Supplies Total</b>	<b>\$ (44,416)</b>	<b>\$ 37,500</b>	<b>\$ 401,500</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 9,448,140	\$ 11,662,280	\$11,686,857
Other	\$ -	\$ 1,000	\$ 84,000
Printing and Advertising	\$ 75	\$ -	\$ 300
Training and Conferences	\$ 444	\$ 5,000	\$ 7,500
<b>Other Services &amp; Charges Total</b>	<b>\$ 9,448,659</b>	<b>\$ 11,668,280</b>	<b>\$11,778,657</b>
<b>Total</b>	<b>\$ 9,707,661</b>	<b>\$ 12,162,171</b>	<b>\$12,647,361</b>

Included in the Flexible Services departmental budget is IndyGo's contract for paratransit transportation services & taxi vouchers program. 2019 budget accounts for increased costs in unleaded fuel as IndyGo will be moving towards procuring unleaded vehicles as the diesel engines are no longer available on these vehicles.

## FTE SUMMARY

	2017	2018	2019	2020
Flexible Services	4.0	7.0	7.0	7.0
<b>Grand Total</b>	<b>4.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

## FLEET SERVICES & INVENTORY CONTROL



## FLEET SERVICES & INVENTORY CONTROL

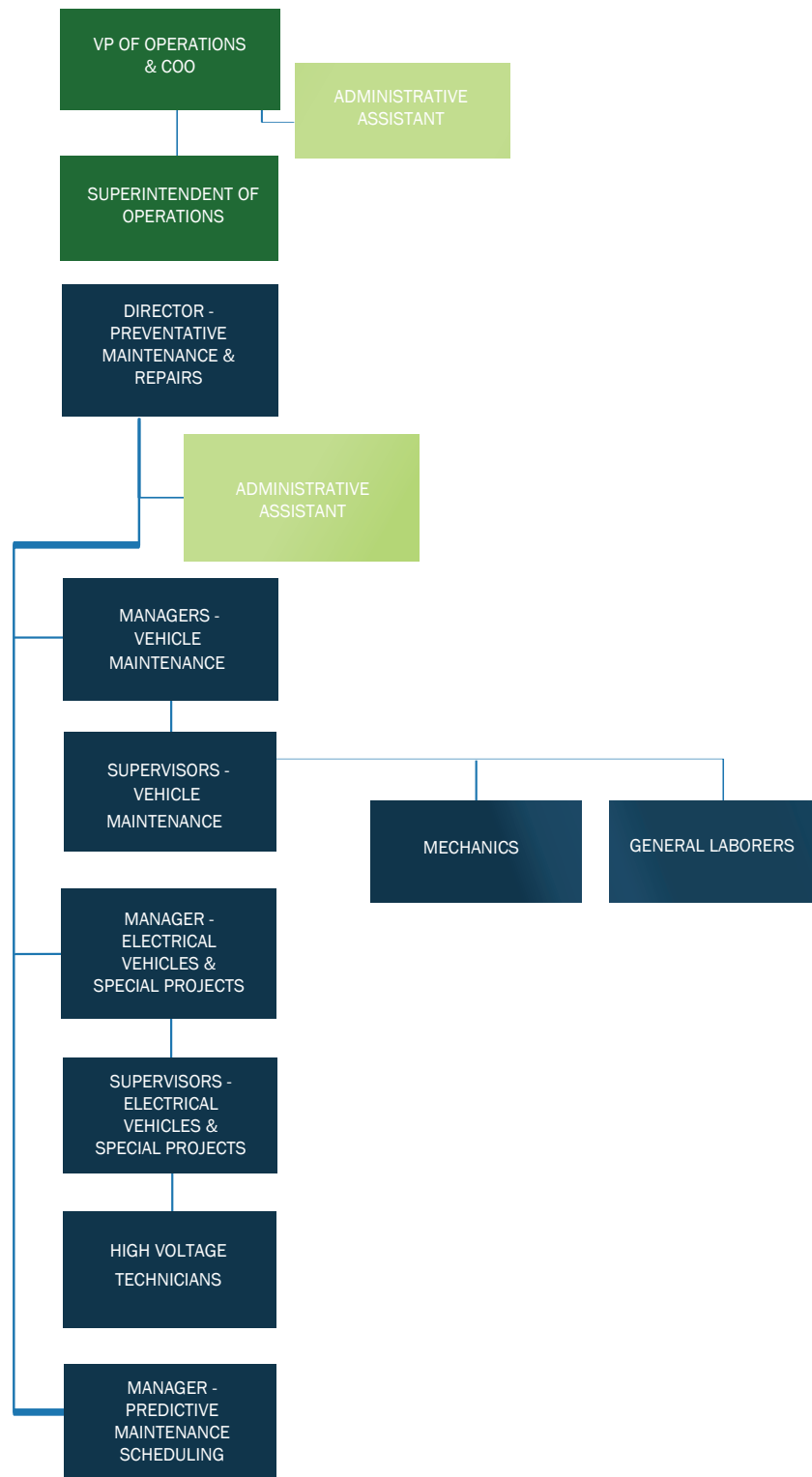
	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 1,441,625	\$ 2,127,682	\$ 2,411,954
Benefits	\$ 210,611	\$ -	\$ -
Payroll Taxes	\$ 109,935	\$ 162,768	\$ 184,514
Other Benefits	\$ 9,102	\$ 60,000	\$ 60,000
<b>Personal Services Total</b>	<b>\$ 1,771,272</b>	<b>\$ 2,350,450</b>	<b>\$ 2,656,468</b>
<b>Materials &amp; Supplies</b>			
Fuel	\$ 3,287,293	\$ 3,798,750	\$ 5,065,000
Office Supplies	\$ 1,934	\$ 10,000	\$ 15,000
Operating Supplies	\$ 3,527	\$ 100,000	\$ 160,000
Other	\$ (84)	\$ -	\$ 10,000
Parts	\$ 1,088,767	\$ 785,000	\$ 860,000
<b>Materials &amp; Supplies Total</b>	<b>\$ 4,381,436</b>	<b>\$ 4,693,750</b>	<b>\$ 6,110,000</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 1,630	\$ 178,000	\$ 225,000
Other	\$ 19,376	\$ 25,000	\$ 40,000
Training and Conferences	\$ 5,123	\$ 40,000	\$ 50,000
<b>Other Services &amp; Charges Total</b>	<b>\$ 26,129</b>	<b>\$ 243,000</b>	<b>\$ 315,000</b>
<b>Total</b>	<b>\$ 6,178,836</b>	<b>\$ 7,287,200</b>	<b>\$ 9,081,468</b>

Fleet Services has budgeted an increase in fuel for 2019 and 2020 to account for IndyGo's fleet and service expansion, in addition to taking into consideration the volatility of market forces on purchase prices.

## FTE SUMMARY

	2017	2018	2019	2020
Fleet Services		41.5	42.5	52.0
Grand Total		41.5	42.5	52.0

## PREVENTATIVE MAINTENANCE & REPAIRS



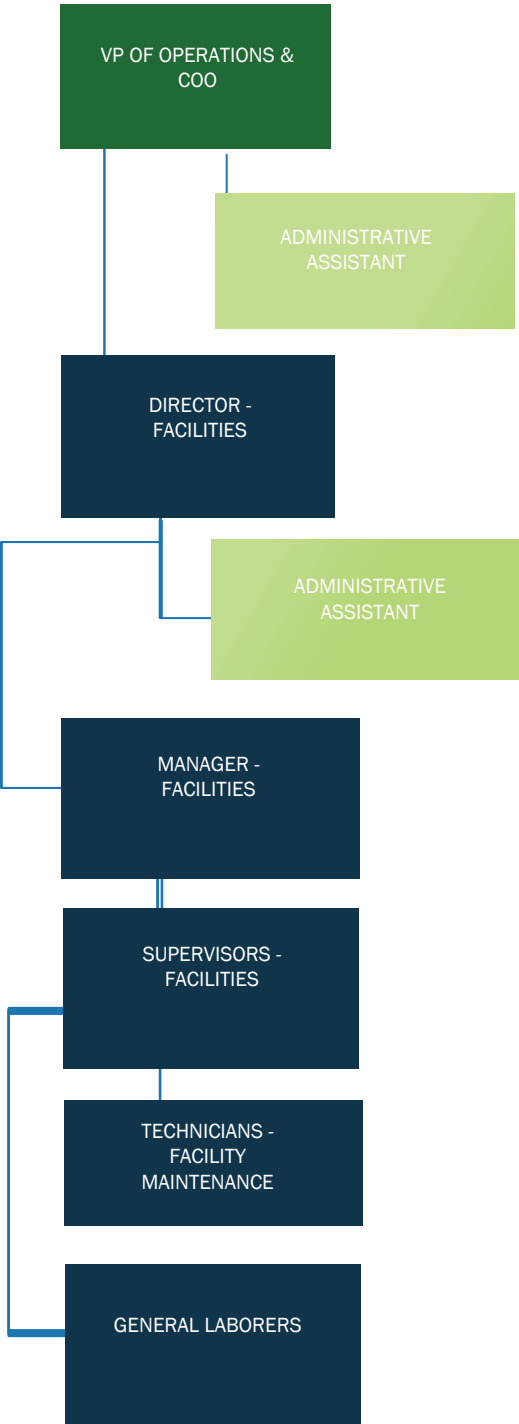
## PREVENTATIVE MAINTENANCE & REPAIRS

	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 3,758,683	\$ 5,589,640	\$ 6,505,364
Benefits	\$ 579,097	\$ -	\$ -
Payroll Taxes	\$ 300,944	\$ 427,607	\$ 497,660
Other Benefits	\$ 89,387	\$ 165,000	\$ 150,000
<b>Personal Services Total</b>	<b>\$ 4,728,111</b>	<b>\$ 6,182,247</b>	<b>\$ 7,153,024</b>
<b>Materials &amp; Supplies</b>			
Fuel	\$ 2,159	\$ -	\$ -
Office Supplies	\$ 73	\$ 5,000	\$ 10,000
Operating Supplies	\$ 3,549	\$ -	\$ 55,000
Other	\$ 26,769		\$ 10,000
Parts	\$ 2,966,720	\$ 4,100,000	\$ 4,650,000
<b>Materials &amp; Supplies Total</b>	<b>\$ 2,999,270</b>	<b>\$ 4,105,000</b>	<b>\$ 4,725,000</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 249,315	\$ 450,000	\$ 530,000
Other	\$ 1,379	\$ -	\$ 10,000
Training and Conferences	\$ -	\$ 10,000	\$ 10,000
<b>Other Services &amp; Charges Total</b>	<b>\$ 250,693</b>	<b>\$ 460,000</b>	<b>\$ 550,000</b>
<b>Total</b>	<b>\$ 7,978,074</b>	<b>\$ 10,747,247</b>	<b>\$12,428,024</b>

IndyGo's fleet expansion will require an increase in the Parts budget for Preventative Maintenance & Repairs. This growth in fleet size will also necessitate the need for additional departmental staffing in the form of mechanics, supervisors, and other support personnel.

## FTE SUMMARY

	2017	2018	2019	2020
Preventative Maintenance & Repairs		95.0	108.0	134.0
Grand Total		95.0	108.0	134.0





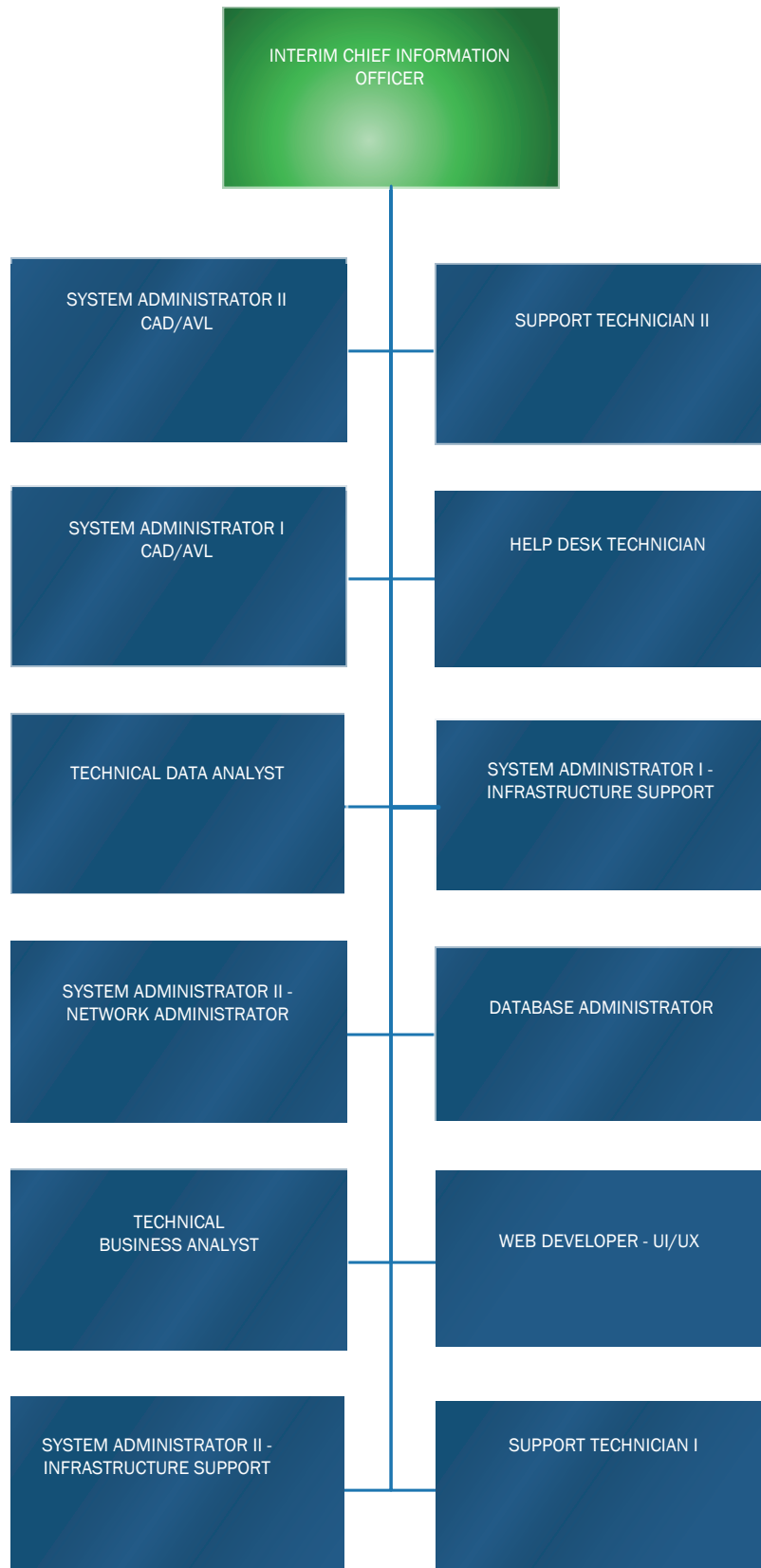
## FACILITIES

	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 391,547	\$ 760,265	\$ 818,124
Benefits	\$ 33,659	\$ -	\$ -
Payroll Taxes	\$ 17,720	\$ 58,160	\$ 62,586
Other Benefits	\$ 171	\$ 3,000	\$ 4,000
<b>Personal Services Total</b>	<b>\$ 443,097</b>	<b>\$ 821,425</b>	<b>\$ 884,710</b>
<b>Materials &amp; Supplies</b>			
Fuel	\$ 3,306	\$ 13,000	\$ 13,000
Office Supplies	\$ 242	\$ -	\$ 10,000
Operating Supplies	\$ 15,854	\$ 150,000	\$ 172,000
Parts	\$ 90,912	\$ 210,000	\$ 230,000
<b>Materials &amp; Supplies Total</b>	<b>\$ 110,312</b>	<b>\$ 373,000</b>	<b>\$ 425,000</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 1,514,366	\$ 1,970,000	\$ 1,260,000
Other	\$ 1,096	\$ -	\$ 5,000
Professional Services	\$ 35,770	\$ -	\$ 20,000
Utilities	\$ 823,524	\$ 1,350,000	\$ 1,365,000
<b>Other Services &amp; Charges Total</b>	<b>\$ 2,374,755</b>	<b>\$ 3,320,000</b>	<b>\$ 2,650,000</b>
<b>Total</b>	<b>\$ 2,928,165</b>	<b>\$ 4,514,425</b>	<b>\$ 3,959,710</b>

Expenses for routine maintenance at both IndyGo Headquarters and the Julia M. Carson Transit Center are accounted for in the Facilities' department budget. Contracted services for fixed route stop and shelter maintenance is also included in the Facilities – Contractual Services line item.

## FTE SUMMARY

	2017	2018	2019	2020
Facility Maintenance	10.0	14.0	14.0	14.0
<b>Grand Total</b>	<b>10.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>



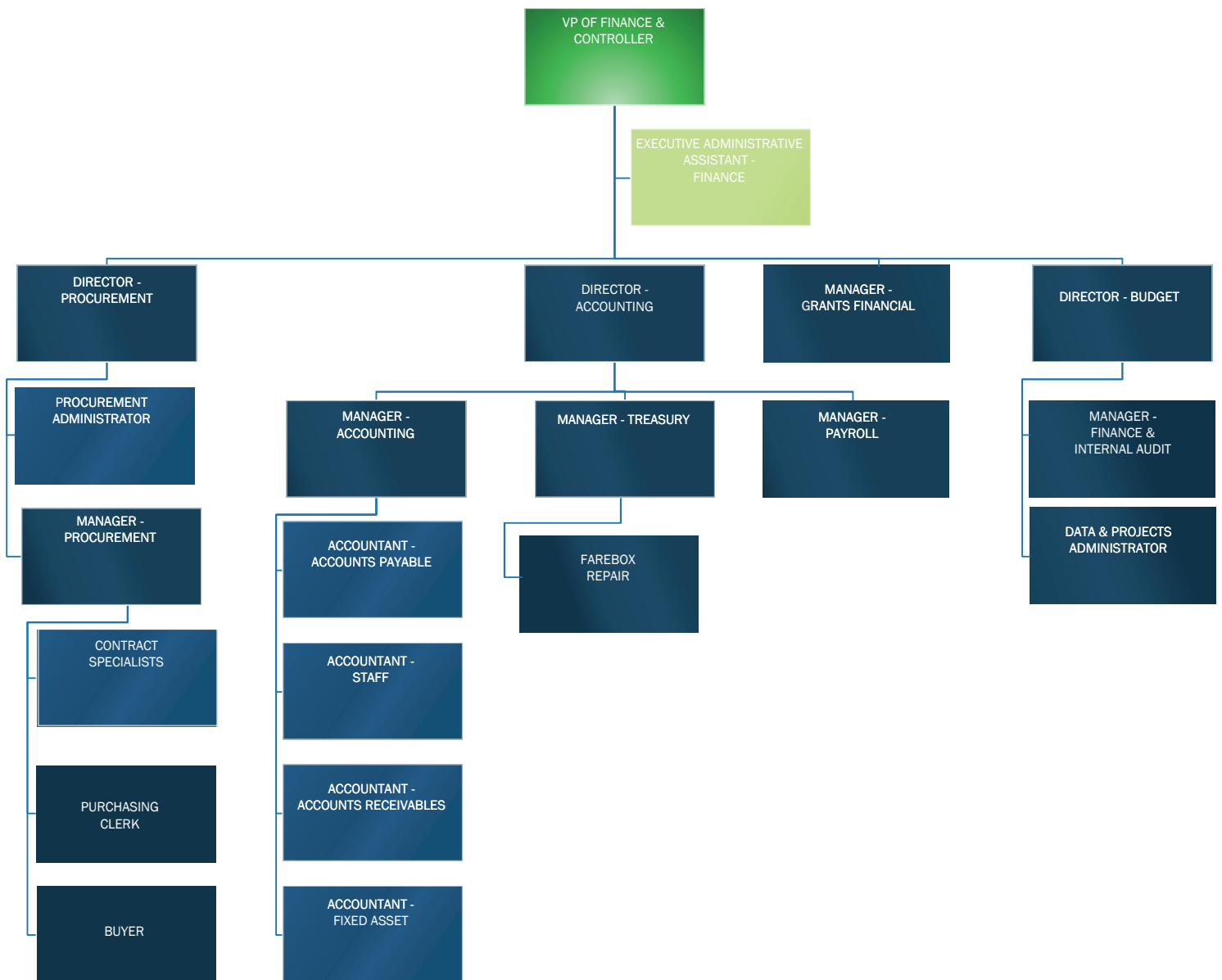
## INFORMATION TECHNOLOGY

	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 741,127	\$ 1,220,412	\$ 1,368,963
Benefits	\$ 79,653	\$ -	\$ -
Payroll Taxes	\$ 54,820	\$ 93,362	\$ 104,726
<b>Personal Services Total</b>	<b>\$ 875,599</b>	<b>\$ 1,313,774</b>	<b>\$ 1,473,689</b>
<b>Materials &amp; Supplies</b>			
Office Supplies	\$ 1,765	\$ 12,700	\$ 3,200
Operating Supplies	\$ 2,109	\$ 3,000	\$ 4,090
Other	\$ 331,362	\$ 68,500	\$ 443,500
Parts	\$ -	\$ -	\$ 39,000
<b>Materials &amp; Supplies Total</b>	<b>\$ 335,236</b>	<b>\$ 84,200</b>	<b>\$ 489,790</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 253,070	\$ 585,000	\$ 636,247
Other	\$ 37,459	\$ 7,000	\$ 2,500
Professional Services	\$ 973,299	\$ 393,000	\$ 239,000
Telephone	\$ 190,105	\$ 180,000	\$ 355,000
Training and Conferences	\$ -	\$ 25,000	\$ 30,000
<b>Other Services &amp; Charges Total</b>	<b>\$ 1,453,933</b>	<b>\$ 1,190,000</b>	<b>\$ 1,262,747</b>
<b>Total</b>	<b>\$ 2,664,768</b>	<b>\$ 2,587,974</b>	<b>\$ 3,226,226</b>

Information Technology staffing is expected to increase in 2019 to coincide with service expansion and to provide necessary technological support as the agency grows. Additional hardware and lifecycle replacement costs will also increase in 2019 and is reflected in the Materials & Supplies – Other line item. Beginning in 2019, IndyGo will shift to cellular communications on vehicles and away from the City of Indianapolis Data Radio Communications. This service will expand data communications and provide public Wi-Fi on IndyGo vehicles.

### FTE SUMMARY

	2017	2018	2019	2020
Information Technology	10.0	12.0	20.5	20.5
Grand Total	10.0	12.0	20.5	20.5



## FINANCE

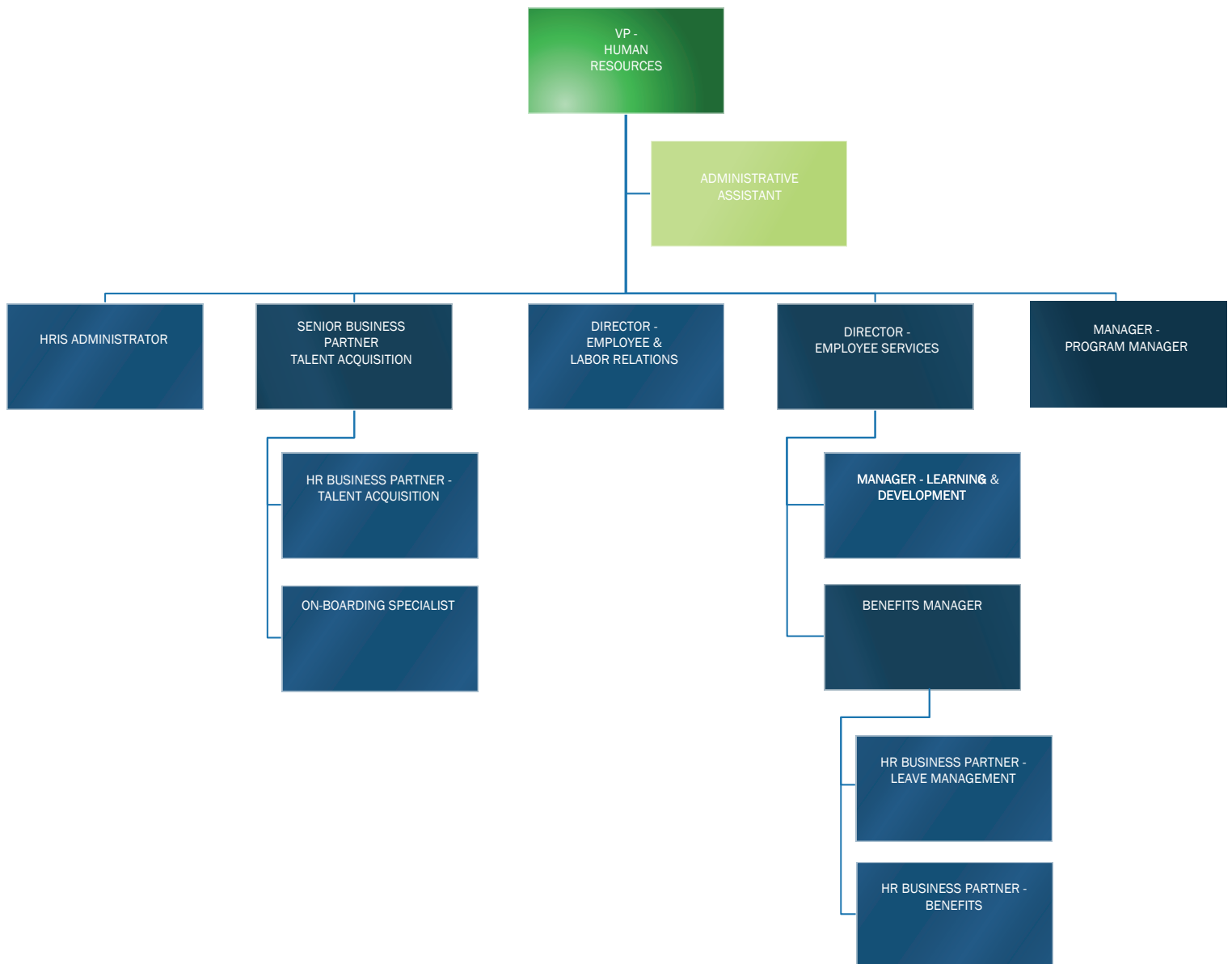
	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 1,525,528	\$ 1,821,412	\$ 2,132,522
Benefits	\$ 223,090	\$ -	\$ 2,500
Payroll Taxes	\$ 113,540	\$ 139,338	\$ 5,353
Other	\$ 5	\$ -	\$ -
Other Benefits	\$ 274	\$ -	\$ -
<b>Personal Services Total</b>	<b>\$ 1,862,438</b>	<b>\$ 1,960,750</b>	<b>\$ 2,140,375</b>
<b>Materials &amp; Supplies</b>			
Office Supplies	\$ 33,960	\$ 48,000	\$ 42,200
Operating Supplies	\$ 137,745	\$ 155,000	\$ 138,500
Other	\$ -	\$ -	\$ 4,000
Parts	\$ 25	\$ -	\$ -
<b>Materials &amp; Supplies Total</b>	<b>\$ 171,730</b>	<b>\$ 203,000</b>	<b>\$ 184,700</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 882,474	\$ 555,000	\$ 640,000
Dues and Subscriptions	\$ 1,538	\$ 2,000	\$ 3,500
Insurance	\$ 1,747	\$ 401,000	\$ 402,000
Other	\$ 31,342	\$ 92,000	\$ 7,500
Printing and Advertising	\$ 39,135	\$ 97,000	\$ 46,000
Professional Services	\$ 5,000	\$ 25,000	\$ 60,000
Training and Conferences	\$ 10,937	\$ 27,000	\$ 20,500
<b>Other Services &amp; Charges Total</b>	<b>\$ 972,172</b>	<b>\$ 1,199,000</b>	<b>\$ 1,179,500</b>
<b>Total</b>	<b>\$ 3,006,340</b>	<b>\$ 3,362,750</b>	<b>\$ 3,504,575</b>

Contractual services for the Finance department include vendor management and procurement program development. Other Services & Charges - Insurance expenses are those costs associated with premiums for property, liability, crime, and fiduciary insurance.

## FTE SUMMARY

	2017	2018	2019	2020
Finance	20.0	25.0	26.0	26.0
Procurement	8.0	9.0	10.0	10.0
<b>Grand Total</b>	<b>28.0</b>	<b>34.0</b>	<b>36.0</b>	<b>36.0</b>

# HUMAN RESOURCES





## HUMAN RESOURCES

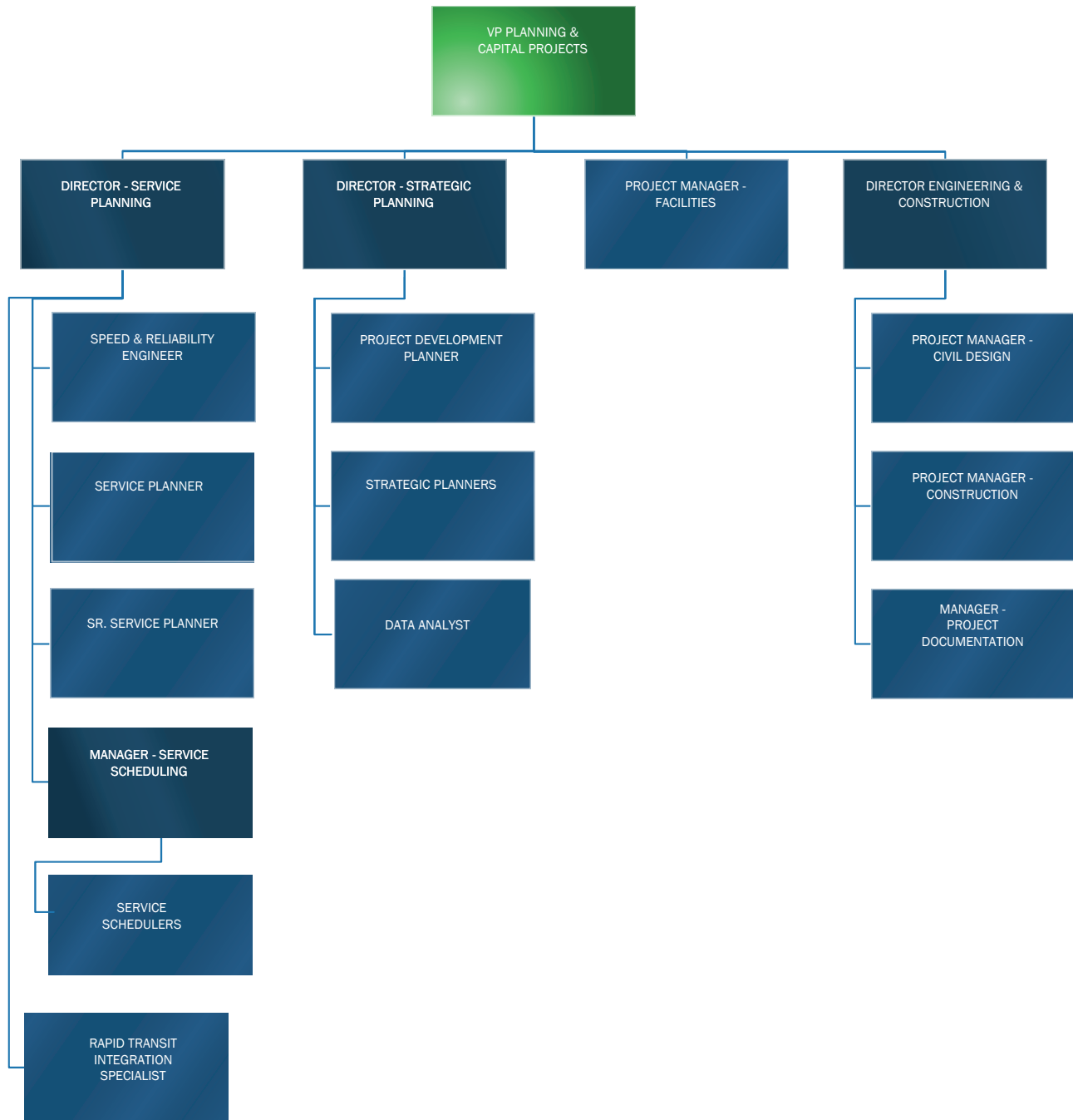
	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 552,398	\$ 794,355	\$ 930,773
Benefits	\$ 2,103,768	\$ 12,189,213	\$12,445,078
Payroll Taxes	\$ 41,477	\$ 60,768	\$ 71,204
Retirement	\$ 1,025,747	\$ 1,338,545	\$ 1,412,946
Other Benefits	\$ 487,220	\$ 550,000	\$ 591,600
<b>Personal Services Total</b>	<b>\$ 4,210,610</b>	<b>\$ 14,932,881</b>	<b>\$15,451,601</b>
<b>Materials &amp; Supplies</b>			
Office Supplies	\$ 3,005	\$ 6,327	\$ 10,500
Operating Supplies	\$ 12,296	\$ 26,036	\$ -
Other	\$ -	\$ -	\$ -
<b>Materials &amp; Supplies Total</b>	<b>\$ 15,301</b>	<b>\$ 32,363</b>	<b>\$ 10,500</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ 79,069	\$ 59,930	\$ 66,532
Dues and Subscriptions	\$ 4,350	\$ 6,000	\$ 6,485
Insurance	\$ 586,570	\$ 619,584	\$ 665,020
Other	\$ 18,613	\$ 22,920	\$ 29,680
Printing and Advertising	\$ 18,435	\$ 47,500	\$ 131,350
Professional Services	\$ 310,904	\$ 328,602	\$ 244,813
Training and Conferences	\$ 63,405	\$ 139,350	\$ 201,500
<b>Other Services &amp; Charges Total</b>	<b>\$ 1,081,346</b>	<b>\$ 1,223,886</b>	<b>\$ 1,345,380</b>
<b>Total</b>	<b>\$ 5,307,257</b>	<b>\$ 16,189,130</b>	<b>\$16,807,481</b>

Benefits budget amount includes agency-wide health insurance costs, which are expected to increase by 4% over 2018's budget. IndyGo's employee incentive program and contract for the onsite health clinic are also included in fringe benefits. Line items Included in the Training budget for 2019 is funding for an employee tuition reimbursement program, as well as ongoing organizational training.

## FTE SUMMARY

	2017	2018	2019	2020
Human Resources	9.0	12.5	14.0	14.0
Grand Total	9.0	12.5	14.0	14.0

## PLANNING & CAPITAL PROJECTS



## PLANNING & CAPITAL PROJECTS

	Unaudited 2017 Actual	Adopted 2018 Budget	Proposed 2019 Budget
<b>Personal Services</b>			
Wages	\$ 224,634	\$ 1,245,620	\$ 1,366,617
Benefits	\$ 26,087	\$ -	\$ -
Payroll Taxes	\$ 23,300	\$ 95,288	\$ 104,546
<b>Personal Services Total</b>	<b>\$ 274,020</b>	<b>\$ 1,340,908</b>	<b>\$ 1,471,163</b>
<b>Materials &amp; Supplies</b>			
Office Supplies	\$ 90	\$ -	\$ 3,000
<b>Materials &amp; Supplies Total</b>	<b>\$ 90</b>	<b>\$ -</b>	<b>\$ 3,000</b>
<b>Other Services &amp; Charges</b>			
Contractual Services	\$ (527,599)	\$ 440,000	\$ -
Dues and Subscriptions	\$ 635	\$ -	\$ 2,500
Other	\$ 15,226	\$ -	\$ -
Printing and Advertising	\$ 202	\$ -	\$ -
Professional Services	\$ 3,640	\$ 250,000	\$ 325,000
Training and Conferences	\$ 6,282	\$ 67,240	\$ 74,400
<b>Other Services &amp; Charges Total</b>	<b>\$ (501,613)</b>	<b>\$ 757,240</b>	<b>\$ 401,900</b>
<b>Total</b>	<b>\$ (227,503)</b>	<b>\$ 2,098,148</b>	<b>\$ 1,876,063</b>

The implementation of the Marion County Transit Plan requires an increased budget for professional consulting services. These services include: training and support for Hastus, as well as consulting services for joint development, Title VI/NTD, and traffic signal timing. Contractual Services for 2020 include expenses for street maintenance, to be paid to the Department of Public Works.

### FTE SUMMARY

	2017	2018	2019	2020
Planning & Capital Projects	6.0	18.0	19.0	19.0
Grand Total	6.0	18.0	19.0	19.0

## **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:

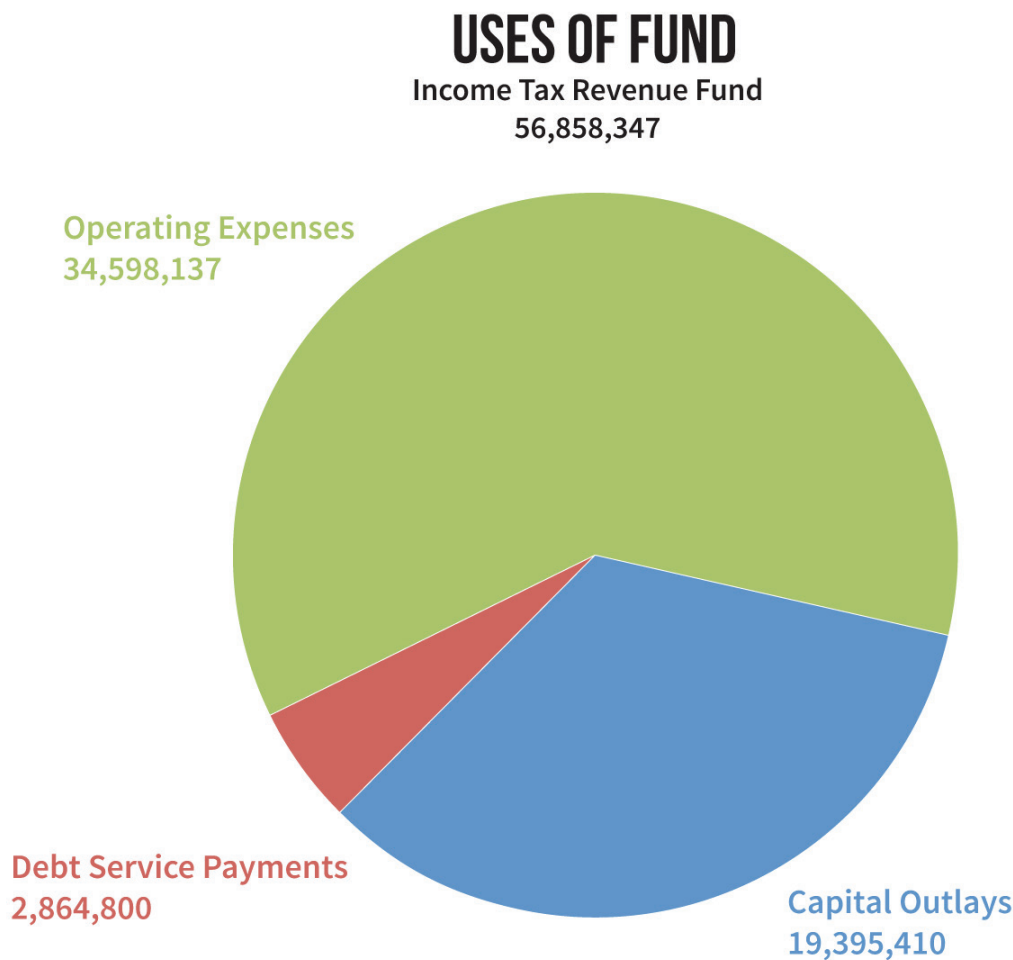
- Create a connected network of buses and rapid transit lines.
- Increase service frequency.
- Extend operation hours.
- Implement three new rapid transit lines.

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.

The expected revenue collections and distribution thereof are estimated to be \$56.8 million for 2019.

## USES OF REVENUE - WHERE THE MONEY GOES

The following chart represents IPTC's plan for the utilization of the 2019 Income Tax Revenue Funding at a \$104.6 million operating budget.



## DEBT SERVICE



## DEBT SERVICE

A new debt issuance of \$26 million is planned for 2018. IPTC's 2019 budget includes \$2.9 million in annual debt service payments towards that 10-year bond issuance. Local transit income tax revenue will be allocated towards debt service of the bond issuance. Amortization schedule for this debt issuance is outlined below.

IndyGo Local Transit Income Tax Revenue Bonds, Series 2018A Amortization Schedule					
Date	Principal	Rate	Interest	Period Total	Fiscal Total
1/15/19	\$ 865,000	5.00%	\$ 190,965	\$ 1,055,965	
7/15/19	1,130,000	5.00	614,925	1,744,925	\$ 2,800,890
1/15/20	1,160,000	5.00	586,675	1,746,675	
7/15/20	1,185,000	5.00	557,675	1,742,675	3,489,350
1/15/21	1,215,000	5.00	528,050	1,743,050	
7/15/21	1,245,000	5.00	497,675	1,742,675	3,485,725
1/15/22	1,280,000	5.00	466,550	1,746,550	
7/15/22	1,310,000	5.00	434,550	1,744,550	3,491,100
1/15/23	1,345,000	3.00	401,800	1,746,800	
7/15/23	1,365,000	5.00	381,625	1,746,625	3,493,425
1/15/24	1,395,000	5.00	347,500	1,742,500	
7/15/24	1,430,000	5.00	312,625	1,742,625	3,485,125
1/15/25	1,470,000	5.00	276,875	1,746,875	
7/15/25	1,505,000	5.00	240,125	1,745,125	3,492,000
1/15/26	1,540,000	5.00	202,500	1,742,500	
7/15/26	1,580,000	5.00	164,000	1,744,000	3,486,500
1/15/27	1,620,000	5.00	124,500	1,744,500	
7/15/27	1,660,000	5.00	84,000	1,744,000	3,488,500
1/15/28	1,700,000	5.00	42,500	1,742,500	1,742,500
<b>Totals</b>	<b>\$ 26,000,000</b>		<b>\$ 6,455,115</b>	<b>\$ 32,455,115</b>	

The Agency is not subject to legal debt limitations because general obligation debt has not been issued. The Agency recognizes that the Special Transportation LIT revenues do not count against the debt limitation of IPTC.

## **FUND BALANCE SUMMARY - ALL FUNDS**

## FUND BALANCE SUMMARY - ALL FUNDS

### Sources and uses of funds

<b><u>SOURCES OF FUNDS</u></b>	<b>Actual 2017</b>	<b>Actual 2016</b>	<b>Actual 2015</b>
Passenger Service Revenue	10,561,974	11,542,422	11,321,408
Property Taxes & Excise	39,254,016	39,000,284	34,110,139
Local Transit Income Tax			
Public Mass Transit Fund & Other Municipali	10,923,381	12,540,469	8,625,880
Federal Transit Funds	13,419,971	12,687,836	17,535,593
Route Guarantees			
Advertising			
Other Operating	17,608	1,123,340	
Capital Grant Reciepts	9,622,568	11,316,059	30,145,423
Borrowings on Line of Credit	6,995,266	9,125,000	
Sale of Investments	4,398,679	4,251,731	
<b>TOTAL FINANCIAL RESOURCES</b>	<b>95,193,463</b>	<b>101,587,141</b>	<b>101,738,443</b>

<b><u>USE OF FUNDS</u></b>			
Payments for Transportation	(37,810,942)	(30,966,066)	(29,787,891)
Payments for Maintenance of Equipment	(16,548,147)	(17,153,116)	(21,811,813)
Payments for Administrative and General	(12,158,489)	(11,876,644)	(11,492,736)
Claims and insurance paid	(1,632,607)	(1,113,480)	
Debt Service	(1,709,081)	(128,967)	(1,562,000)
Repayment of Line of Credit	(6,995,266)	(9,125,000)	
Investing Activities	(4,246,566)	(4,505,172)	(213,414)
Capital Outlay	(21,182,397)	(26,337,179)	(43,900,299)
<b>TOTAL FINANCIAL USES</b>	<b>(102,283,495)</b>	<b>(101,205,624)</b>	<b>(108,768,153)</b>

<b>Net Increase (Decrease) in Fund Balance</b>	<b>(7,090,032)</b>	<b>381,517</b>	<b>(7,029,710)</b>
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<b>Beginning Unreserved Fund Balance</b>	<b>18,034,219</b>	<b>17,652,702</b>	<b>24,682,412</b>
<b>Ending Unreserved Fund Balance</b>	<b>10,944,187</b>	<b>18,034,219</b>	<b>17,652,702</b>

	Restricted Funds			Unrestricted Funds		
	General Fund	Capital Grants Fund	Cumulative Capital Fund	Federal Pass Through Fund	Local Transit Income Tax Fund	Local Transit Income Tax Debt Service Fund
Estimated cash balance 12/31/18	7,460,988	-	16,630,980	-	2,343,748	1,000,000
Total budget estimate FY 2019	70,052,596	108,525,742	11,300,033	750,000	53,993,547	2,864,800
Misc. revenue FY 2019	36,569,151	108,525,742	226,100	750,000	53,993,547	2,864,800
Property tax to be raised FY 2019	36,382,679	-	3,611,307	-	-	-
Local option income tax to be raised FY 2019	2,296,402	-	-	-	-	-
Estimated cash balance 12/31/19	12,656,624	-	9,168,354	-	2,343,748	1,000,000
Net tax rate on \$100 of taxable property FY 2018	0.0952	-	0.0093	-	-	-
Net tax rate on \$100 of taxable property FY 2019	0.0937	-	0.0093	-	-	-

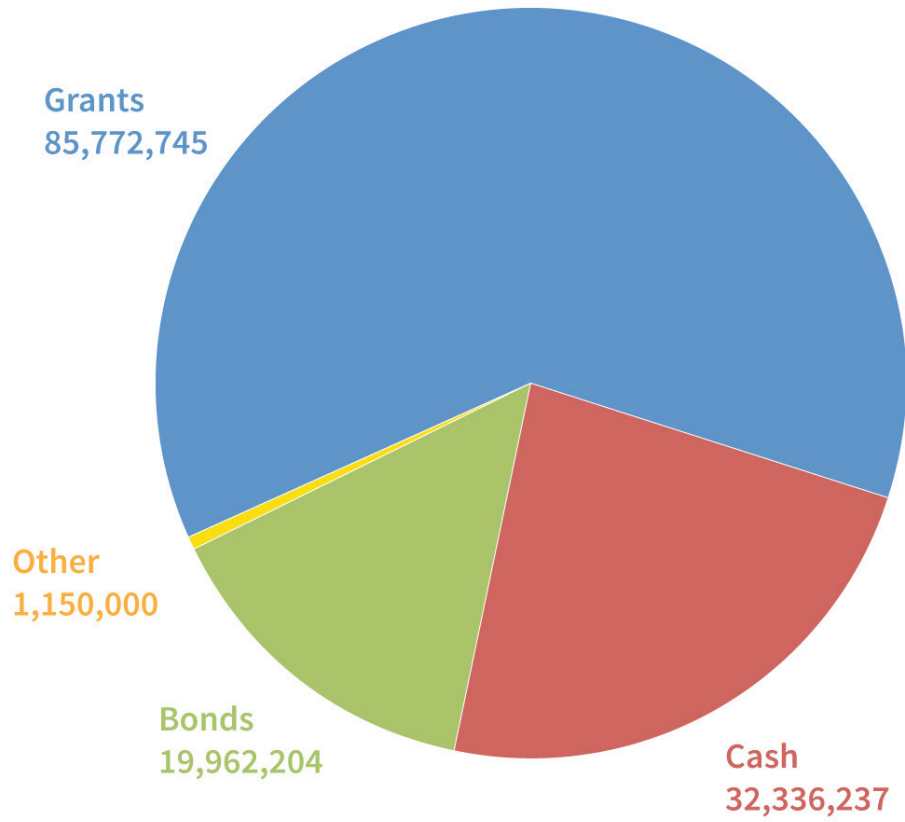
## **CAPITAL IMPROVEMENT PROGRAM**

## CAPITAL IMPROVEMENT PROGRAM

### Indianapolis Public Transportation Corporation 5 Year Capital Improvement Program

Project Description	5-Year CIP	July-Dec 2018	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023
<b>BRT and On-Street Infrastructure</b>	<b>\$476,364,911</b>	<b>\$37,503,942</b>	<b>\$123,093,058</b>	<b>\$82,700,361</b>	<b>\$110,443,019</b>	<b>\$111,897,149</b>	<b>\$10,727,383</b>
Red Line Phase 1	\$82,839,806	\$26,339,639	\$56,500,167	\$0	\$0	\$0	\$0
Red Line Phase 2a/3a (to County Line)	\$37,439,751	\$0	\$0	\$1,609,229	\$2,145,639	\$23,015,395	\$10,669,488
Purple Line	\$136,308,168	\$4,706,721	\$40,677,044	\$51,071,652	\$39,852,751	\$0	\$0
Blue Line	\$199,408,264	\$3,384,118	\$12,690,444	\$26,121,421	\$68,388,421	\$88,823,860	\$0
Michigan St. Improvements	\$4,238,680	\$15,000	\$4,223,680	\$0	\$0	\$0	\$0
30th St. Improvements	\$2,161,889	\$10,000	\$0	\$2,151,889	\$0	\$0	\$0
Central Ave. Improvements	\$2,148,465	\$2,148,465	\$0	\$0	\$0	\$0	\$0
Rural St Underpass Clearance Modification	\$500,000	\$50,000	\$450,000	\$0	\$0	\$0	\$0
Downtown Local Route Super Stops	\$4,200,000	\$450,000	\$3,750,000	\$0	\$0	\$0	\$0
Transit Signal Priority Installation	\$1,691,600	\$0	\$0	\$1,691,600	\$0	\$0	\$0
Ongoing Stop/Shelter/Sidewalk Program	\$240,210	\$0	\$13,643	\$54,571	\$56,208	\$57,894	\$57,894
MCTP Local Route Stop/Shelter/Sidewalk Installations	\$5,188,080	\$400,000	\$4,788,080	\$0	\$0	\$0	\$0
<b>Facilities</b>	<b>\$21,413,866</b>	<b>\$7,298,466</b>	<b>\$7,895,400</b>	<b>\$3,200,000</b>	<b>\$1,920,000</b>	<b>\$1,100,000</b>	<b>\$0</b>
Facility Design Task Orders	\$850,000	\$350,000	\$500,000	\$0	\$0	\$0	\$0
Office Area Renovations (including furniture)	\$2,680,000	\$2,500,000	\$0	\$0	\$180,000	\$0	\$0
DTC Level Boarding Modifications	\$1,700,000	\$0	\$0	\$1,700,000	\$0	\$0	\$0
Bus Charging Infrastructure in Garage	\$2,683,466	\$2,683,466	\$0	\$0	\$0	\$0	\$0
Multi-Purpose Facility Construction	\$4,082,000	\$0	\$4,082,000	\$0	\$0	\$0	\$0
Building Exterior Improvements	\$2,292,000	\$115,000	\$417,000	\$0	\$660,000	\$1,100,000	\$0
Maintenance Area Renovations	\$3,446,400	\$150,000	\$716,400	\$1,500,000	\$1,080,000	\$0	\$0
Maintenance Bay Alterations to Allow 60 ft. Buses	\$1,080,000	\$0	\$1,080,000	\$0	\$0	\$0	\$0
Wash Rack Replacement / Door Widening	\$1,500,000	\$1,500,000	\$0	\$0	\$0	\$0	\$0
Paint Booth	\$1,100,000	\$0	\$1,100,000	\$0	\$0	\$0	\$0
<b>Safety, Security, &amp; Training</b>	<b>\$3,900,973</b>	<b>\$0</b>	<b>\$1,850,000</b>	<b>\$1,350,000</b>	<b>\$218,959</b>	<b>\$229,061</b>	<b>\$252,953</b>
Main Facility CCTV Upgrade	\$1,500,000	\$0	\$1,500,000	\$0	\$0	\$0	\$0
Training Simulators	\$700,000	\$0	\$350,000	\$350,000	\$0	\$0	\$0
Vehicle CCTV Replacement	\$1,700,973	\$0	\$0	\$1,000,000	\$218,959	\$229,061	\$252,953
<b>IT &amp; Finance</b>	<b>\$6,978,222</b>	<b>\$4,085,611</b>	<b>\$2,892,611</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
ERP	\$593,000	\$593,000	\$0	\$0	\$0	\$0	\$0
Fare Collection/Validation System	\$600,000	\$600,000	\$0	\$0	\$0	\$0	\$0
Wireless Vehicle Communication (Install)	\$1,095,222	\$547,611	\$547,611	\$0	\$0	\$0	\$0
ITS Upgrade/Replacement (CAD AVL)	\$4,690,000	\$2,345,000	\$2,345,000	\$0	\$0	\$0	\$0
<b>Fleet</b>	<b>\$35,335,242</b>	<b>\$9,737,470</b>	<b>\$3,490,118</b>	<b>\$5,676,664</b>	<b>\$5,350,664</b>	<b>\$5,382,664</b>	<b>\$5,697,664</b>
Paratransit Bus Replacement	\$8,363,303	\$1,309,970	\$1,364,267	\$1,388,267	\$1,412,267	\$1,444,267	\$1,444,267
Fixed Route Bus Replacement	\$20,193,439	\$8,000,000	\$819,851	\$2,843,397	\$2,843,397	\$2,843,397	\$2,843,397
Support Vehicle Replacement	\$936,000	\$0	\$306,000	\$315,000	\$0	\$0	\$315,000
Maintenance Heavy Equipment	\$5,430,000	\$390,000	\$925,000	\$1,055,000	\$1,020,000	\$1,020,000	\$1,020,000
Headsign Midlife Equipment	\$412,500	\$37,500	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
<b>Grand Totals</b>	<b>543,993,214</b>	<b>58,625,489</b>	<b>139,221,186</b>	<b>92,927,025</b>	<b>117,932,642</b>	<b>118,608,874</b>	<b>16,677,999</b>

## 2019 CAPITAL BUDGET - SOURCES OF FUNDS







**IndyGo**

*2018-2023 Capital Plan*

**For Board Adoption**

*August 23, 2018*

**IndyGo**<sup>SM</sup>





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# INTRODUCTION & OVERVIEW

In November 2016, nearly 60 percent of Marion County voters cast ballots in favor of adopting a 0.25 percent income tax dedicated to fund transit improvements. This transit levy was subsequently enacted by the Indianapolis-Marion County City County Council in February 2017. The resources derived from this tax will support the implementation and operation of the Marion County Transit Plan (Transit Plan), a component of *IndyConnect*—Central Indiana's Regional Transit Plan—as developed by the Indianapolis Metropolitan Planning Organization (MPO), IndyGo, and the Central Indiana Regional Transit Authority (CIRTA).

The Transit Plan calls for IndyGo to expand the frequency and hours of service for its fixed-route local network, construct and operate three new rapid transit lines, and change the orientation of its network from a hub-and-spoke network to a grid system. The strategic framework for these changes were developed as part of IndyGo's *IndyGo Forward* Comprehensive Operational Analysis and will be implemented over the next five years.<sup>1</sup>

To effectively operate the increased local service and three rapid transit corridors and provide for a highly functioning transit system, several capital investments are necessary. These investments include capital expenditures within the following areas:

- **Bus Rolling Stock:** The addition and replacement of IndyGo vehicles and equipment to increase the reliability and operational efficiency of IndyGo's fleet and equipment to service and maintain the fleet;
- **On-Street Infrastructure and Bus Rapid Transit:** associated with bus rapid transit, fixed-route stops, and shelters;
- **Facilities:** Expansion, renovation, repair, and maintenance of IndyGo facilities to house IndyGo employees across divisions and support the efficient execution of their job responsibilities;
- **Information Technology & Finance:** Addition and/or replacement information technology and other administrative systems to promote a modern, high-functioning workplace; and
- **Safety, Security, and Training** equipment and enhancements.

In order to provide a fiscally-constrained plan, provide for financial forecasting and budgeting, and prioritize and coordinate investments, a five-year capital investment budget was first created in 2017. This tool was a joint effort of the finance and capital projects & planning divisions, with input from departments across the agency. That plan was presented and adopted by the IPTC Board of Directors on December 7, 2017 and updated in March 2018.

As part of the planning for the 2018 annual operational budgeting process, a decision was reached to update IndyGo's five-year capital plan, each year, on a five-year rolling basis. As such, this document—IndyGo's 2018-2023 Capital Plan—reflects a new five-year capital plan that incorporates the latest project costs and revenue estimates and extends the planning horizon to 2023. Similar to the previous five-year capital plan, this document summarizes and organizes the figures included in the five-year capital budget, organizes those figures into a useful format, and provides additional detail on the sources and uses. This document is intended to serve as a benchmark for projecting, prioritizing, and programming capital expenditures for the next five years and will serve as a framework for IndyGo's official annual budgeting process. The document will assist in planning for IndyGo's pursuit of external funding, competitive grant programs, and/or debt instruments intended to finance capital expenditures.

<sup>1</sup> Available at <https://www.indygo.net/wp-content/uploads/2014/12/IndyGo-Forward-Volume-II-Final-Report-1.pdf>

The capital plan is organized into the following sections.

- The **Annual Summaries** section provides a comprehensive overview of the five-year capital program as well as a summary-level annual breakdown of anticipated capital revenue and expenditures.
- The **Funding Sources** section provides information on the sources of revenue expected to be programmed toward capital expenditures through 2023.
- The **Capital Expenditures** section provides an explanation of the expenditure, an anticipated cost for each expenditure, and the anticipated revenue source(s) for that capital cost.
- **Annual Itemized Expenditure Tables** section provides an itemized quarterly table of expenditures for each year, sorted by category of cost.

Relative to IndyGo's previous five-year capital plan, this plan shows of \$544,527,338 in expenditures, an increase of \$37 million (7.3 percent) over the previous plan. This increase is largely attributable to the expansion in the geographic scope of the Blue Line Rapid Transit Project, in order to provide rapid transit service to the Indianapolis International Airport. At the time of drafting the previous plan, this alignment was desired, but funding sources had not been identified for the area west of Holt Road. Additionally, this the temporal scope of this plan includes the remainder of 2018 and all of 2023, resulting in the addition of a half year to the time examined within this plan.

***The IndyGo 2018 – 2023 Capital Plan provides a forecast of planned revenue and expenditures based on currently available information. IndyGo will routinely update its assumptions and projections as capital projects are implemented, revenue is realized, and/or information otherwise becomes available.***

Table 1 will be updated with any changes to this document and enable IndyGo to track versions of this document over time. The numbering conventions associated with the version control will be as follows: whole numbers will reflect the incorporation of substantial changes made to the sources and/or uses of capital funds and/or with updates following the adoption of IndyGo's annual budget; incremental updates (tracked by decimal numbers) will reflect minor changes made between these more substantial changes. Entries for minor changes may be removed from the version control table upon the adoption of a new major changes. The Date of Revision is the date that this document was revised; the Date of Budget refers to the version control date in the excel budget file upon which these revisions are based.

**Table 1. Version Control Table**

Version	Purpose of Change	Date of Revision	Date of Budget	Responsible
0.1	Final Preliminary Draft for Internal Review	8/15/18	8/14/18	John Marron
0.2	Updated Draft - Blue Line Update: For Board Committee Review	8/16/18	8/15/18	John Marron
1.0	Final Plan: For Board Adoption (Augustin 23, 2018)	8/22/18	8/22/18	John Marron

# ANNUAL SUMMARIES

IndyGo's 2018-2023 Capital Plan represents a substantial investment in transit and transit-supporting infrastructure. These investments will include expenditures associated with rolling stock, enhancements to on-street infrastructure and bus rapid transit projects, IndyGo facilities, IT and finance, and safety, security and training enhancements. The purpose of this plan is to coordinate these expenditures with expected sources of revenue and time these investments in such a way to maintain adequate and acceptable cash flow for the agency.

To that end, the annual summary (see Table 2) shows an annual breakdown of planned expenditures and aligns those expenditures with expected revenue on an annual basis. It is intended that the following serves as a summary of the total five-year plan and serves as an annual planning resource in developing more detailed capital budgets on an annual basis through 2023.

Expected expenditures have been developed through a process jointly-coordinated by IndyGo's finance and capital projects divisions and reflects the input of divisions and departments throughout IndyGo. Individual expenditures and anticipated revenue sources are described in greater detail in subsequent sections of this document.

The timing of individual expenditures reflects a planning effort that sought to examine the interrelationship of planned projects to IndyGo's operational needs as suggested by each division and matching those needs with anticipated revenue. As such, the following tables reflect a prioritization of planned expenditures, fiscally-constrained, across the agency. IndyGo will continue to monitor sources of anticipated revenue and the need for the expenditures, adjusting the plan as needed.

**Table 2. Annual Summary**

	Q3/Q4 2018	2019	2020	2021	2022	2023	Total
<b>Expected Expenditures</b>	<b>\$58,625,489</b>	<b>\$139,221,186</b>	<b>\$92,927,025</b>	<b>\$118,466,765</b>	<b>\$118,608,874</b>	<b>\$16,677,999</b>	<b>\$544,527,338</b>
Bus Rolling Stock	\$9,737,470	\$3,490,118	\$5,676,664	\$5,350,664	\$5,382,664	\$5,697,664	\$35,335,242
On-Street Inf. & BRT	\$37,503,942	\$123,093,058	\$82,700,361	\$110,977,142	\$111,897,149	\$10,727,383	\$476,899,034
Facilities & Equipment	\$7,298,466	\$7,895,400	\$3,200,000	\$1,920,000	\$1,100,000	\$0	\$21,413,866
Information Technology	\$4,085,611	\$2,892,611	\$0	\$0	\$0	\$0	\$6,978,222
Safety & Security	\$0	\$1,850,000	\$1,350,000	\$218,959	\$229,061	\$252,953	\$3,900,973
<b>Expected Sources</b>	<b>\$58,625,489</b>	<b>\$139,221,186</b>	<b>\$92,927,025</b>	<b>\$118,466,765</b>	<b>\$118,608,874</b>	<b>\$16,677,999</b>	<b>\$544,527,338</b>
Grants	\$45,462,729	\$85,772,745	\$58,593,726	\$60,499,857	\$63,874,593	\$11,880,697	\$326,084,346
Cash	\$4,702,760	\$32,336,237	\$16,385,304	\$5,128,835	\$11,578,706	\$3,735,769	\$73,867,613
Bonds	\$1,160,000	\$19,962,204	\$17,947,995	\$36,538,073	\$43,155,575	\$1,061,533	\$119,825,379
Other	\$7,300,000	\$1,150,000	\$0	\$16,300,000	\$0	\$0	\$24,750,000
<b>Expected Capital Surplus (Deficit)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Note: Sources are listed for the time period in which they are expected to be expended, not the time period in which they are realized and/or made available to IndyGo.

The following series of tables provides annual overviews of planned capital expenditures and anticipated revenue to fund or finance these projects. These resources will generally be drawn from federal formula funds and competitive grants, cash or IndyGo capital revenue, debt financing, or other sources.

### 3Q/4Q 2018 CAPITAL PROJECTS: \$58.6 MILLION

2018 has seen the first of the substantial capital projects related to the implementation of the Transit Plan. Most of the planned expenditures for the remainder of the year are associated with on-street infrastructure and bus rapid transit projects—with Red Line construction comprising a sizeable portion of these expenditures. In total, \$37.5 million are planned in on-street infrastructure and rapid transit projects. Additionally, we anticipate \$7.3 million to be invested in equipment and facilities, \$9.7 million in bus rolling stock, and \$4.1 million in information technology projects (see Table 3).

Most of these expenditures will be funded through grants received through the Federal Transit Administration (FTA), complemented by IndyGo's capital revenue and anticipated bond proceeds. IndyGo also expects investments totaling \$7.3 million from Indianapolis' Department of Public Works (DPW) and the Department of Metropolitan Development (DMD).

**Table 3. 3Q/4Q 2018 Capital Projects**

Revenue	Q3	Q4	Q3/Q4 Total
Grants	\$31,021,521	\$14,441,208	\$45,462,729
Cash	(\$4,522,996)*	\$9,225,756	\$4,702,760
Bonds	\$1,160,000	\$0	\$1,160,000
Other	\$7,300,000	\$0	\$7,300,000
<b>Total Revenue</b>	<b>\$34,958,525</b>	<b>\$23,666,964</b>	<b>\$58,625,489</b>
Expenditures	Q3	Q4	Q3/Q4 Total
Bus Rolling Stock	\$9,718,720	\$18,750	\$9,737,470
On-Street Infrastructure & BRT	\$20,063,703	\$17,440,239	\$37,503,942
Facilities and Equipment	\$3,119,796	\$4,178,670	\$7,298,466
Information Technology	\$2,056,306	\$2,029,306	\$4,085,611
Safety, Security, and Training	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$34,958,525</b>	<b>\$23,666,964</b>	<b>\$58,625,489</b>

\*Note: Here and elsewhere in the plan, negative cash balances for a quarter indicate the reimbursement of IndyGo's Capital Cum Fund for resources previously expended on a project that are now reimbursable due the execution of a federal grant.

### 2019 CAPITAL PROJECTS: \$139.2 MILLION

IndyGo will complete construction of the Red Line in 2019, commence in major construction associated with the Purple Line, and continue to enhance on-street infrastructure and amenities associated with the implementation of the Transit Plan. These on-street infrastructure and rapid transit expenditures represent \$123.1 million of the agency's \$139.2 million in planned expenditures for 2019 (see Table 4).

Additionally, substantial renovations and enhancements to IndyGo's administration and maintenance facility will continue as IndyGo's staff and fleet increase in size to meet the new service profile. Included in these renovations will be the inclusion of bus charging infrastructure to allow for the electrification of IndyGo's fleet and a new closed-circuit television monitoring system. As part of the Transit Plan implementation efforts, IndyGo will implement measures and equipment to modernize its fare collection system.



**Table 4. 2019 Capital Projects**

Revenue	Q1	Q2	Q3	Q4	Total
Grants	\$16,415,588	\$17,227,647	\$25,823,924	\$26,305,586	<b>\$85,772,745</b>
Cash	\$5,771,402	\$12,271,026	\$2,758,144	\$11,535,666	<b>\$32,336,237</b>
Bonds	\$4,305,331	\$4,883,664	\$10,773,209	\$0	<b>\$19,962,204</b>
Other	\$0	\$0	\$0	\$1,150,000	<b>\$1,150,000</b>
<b>Total Revenue</b>	<b>\$26,492,321</b>	<b>\$34,382,337</b>	<b>\$39,355,277</b>	<b>\$38,991,252</b>	<b>\$139,221,186</b>
Expenditures	Q1	Q2	Q3	Q4	Total
Bus Rolling Stock	\$18,750	\$2,614,017	\$838,601	\$18,750	<b>\$3,490,118</b>
On-Street Infrastructure & BRT	\$19,861,265	\$26,509,014	\$38,097,276	\$38,625,502	<b>\$123,093,058</b>
Facilities and Equipment	\$3,316,000	\$3,813,000	\$419,400	\$347,000	<b>\$7,895,400</b>
Information Technology	\$1,446,306	\$1,446,306	\$0	\$0	<b>\$2,892,611</b>
Safety, Security, and Training	\$1,850,000	\$0	\$0	\$0	<b>\$1,850,000</b>
<b>Total Expenditures</b>	<b>\$26,492,321</b>	<b>\$34,382,337</b>	<b>\$39,355,277</b>	<b>\$38,991,252</b>	<b>\$139,221,186</b>

## 2020 CAPITAL PROJECTS: \$92.9 MILLION

IndyGo will continue its robust investment in the rapid transit network and on-street infrastructure throughout 2020 as it continues construction of the Purple Line, begins construction on the Blue Line, and installs transit signal priority in locations to be identified. These investments represent 89 percent of \$92.9 million in planned expenditures.

IndyGo will also continue to invest in its fleet, replacing a set of diesel buses with fully-electric vehicles and equipping all its vehicles with an updated and upgraded closed-circuit television security system. IndyGo will continue its efforts to renovate its facility during this period, focusing its efforts on renovating the maintenance area; expenditures on training simulators and vehicle CCTV equipment are also planned for this year (see Table 5).

**Table 5. 2020 Capital Projects**

Revenue	Q1	Q2	Q3	Q4	Total
Grants	\$11,084,659	\$10,214,322	\$9,087,802	\$28,206,944	<b>\$58,593,726</b>
Cash	\$5,303,967	\$9,330,829	(\$476,369)	\$2,226,877	<b>\$16,385,304</b>
Bonds	\$3,716,128	\$4,971,128	\$9,260,739	\$0	<b>\$17,947,995</b>
Other	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Total Revenue</b>	<b>\$20,104,754</b>	<b>\$24,516,279</b>	<b>\$17,872,171</b>	<b>\$30,433,821</b>	<b>\$92,927,025</b>
Expenditures	Q1	Q2	Q3	Q4	Total
Bus Rolling Stock	\$18,750	\$2,777,017	\$2,862,147	\$18,750	<b>\$5,676,664</b>
On-Street Infrastructure & BRT	\$16,786,004	\$20,489,262	\$15,010,025	\$30,415,071	<b>\$82,700,361</b>
Facilities and Equipment	\$1,950,000	\$1,250,000	\$0	\$0	<b>\$3,200,000</b>
Information Technology	\$0	\$0	\$0	\$0	<b>\$0</b>
Safety, Security, and Training	\$1,350,000	\$0	\$0	\$0	<b>\$1,350,000</b>
<b>Total Expenditures</b>	<b>\$20,104,754</b>	<b>\$24,516,279</b>	<b>\$17,872,171</b>	<b>\$30,433,821</b>	<b>\$92,927,025</b>



## 2021 CAPITAL PROJECTS: \$118.5 MILLION

A total of \$111.0 million in 2021 expenditures will advance the construction of on-street infrastructure and rapid transit facilities (93.7 percent of IndyGo's total planned capital expenditures for 2021). IndyGo will also continue retrofitting and renovating its existing facility to more comfortably house an expanded workforce as well as continue to invest in new heavy machinery and equipment that will better enable it to service its fleet (see Table 6).

**Table 6. 2021 Capital Projects**

Revenue	Q1	Q2	Q3	Q4	Total
Grants	\$15,536,804	\$16,491,450	\$19,493,922	\$8,977,680	<b>\$60,499,857</b>
Cash	(\$533,615)	\$1,524,040	\$6,945,608	(\$2,807,198)	<b>\$5,128,835</b>
Bonds	\$60,000	\$14,361,006	\$10,471,232	\$11,645,835	<b>\$36,538,073</b>
Other	\$15,650,000	\$0	\$650,000	\$0	<b>\$16,300,000</b>
<b>Total Revenue</b>	<b>\$30,713,189</b>	<b>\$32,376,497</b>	<b>\$37,560,762</b>	<b>\$17,816,317</b>	<b>\$118,466,765</b>
Expenditures	Q1	Q2	Q3	Q4	Total
Bus Rolling Stock	\$18,750	\$1,431,017	\$3,882,147	\$18,750	<b>\$5,350,664</b>
On-Street Infrastructure & BRT	\$30,415,480	\$30,415,480	\$32,498,615	\$17,647,567	<b>\$110,977,142</b>
Facilities and Equipment	\$60,000	\$530,000	\$1,180,000	\$150,000	<b>\$1,920,000</b>
Information Technology	\$0	\$0	\$0	\$0	<b>\$0</b>
Safety, Security, and Training	\$218,959	\$0	\$0	\$0	<b>\$218,959</b>
<b>Total Expenditures</b>	<b>\$30,713,189</b>	<b>\$32,376,497</b>	<b>\$37,560,762</b>	<b>\$17,816,317</b>	<b>\$118,466,765</b>

## 2022 CAPITAL PROJECTS: \$118.6 MILLION

In 2022, IndyGo anticipates wrapping up major construction activities on the Blue Line, while substantively advancing construction activities on the Red Line Marion County extensions. IndyGo will continue to replace diesel vehicles with fully-electric buses, make other investments in its fleet, and continue exterior building improvements (see Table 7).

**Table 7. 2022 Capital Projects**

Revenue	Q1	Q2	Q3	Q4	Total
Grants	\$9,160,929	\$27,757,241	\$16,472,813	\$10,483,609	<b>\$63,874,593</b>
Cash	\$79,036	\$11,433,224	\$33,224	\$33,224	<b>\$11,578,706</b>
Bonds	\$8,655,835	\$11,677,835	\$11,794,816	\$11,027,090	<b>\$43,155,575</b>
Other	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Total Revenue</b>	<b>\$17,895,799</b>	<b>\$50,868,300</b>	<b>\$28,300,852</b>	<b>\$21,543,922</b>	<b>\$118,608,874</b>
Expenditures	Q1	Q2	Q3	Q4	Total
Bus Rolling Stock	\$18,750	\$2,483,017	\$2,862,147	\$18,750	<b>\$5,382,664</b>
On-Street Infrastructure & BRT	\$17,647,988	\$48,385,283	\$25,238,705	\$20,625,172	<b>\$111,897,149</b>
Facilities and Equipment	\$0	\$0	\$200,000	\$900,000	<b>\$1,100,000</b>
Information Technology	\$0	\$0	\$0	\$0	<b>\$0</b>
Safety, Security, and Training	\$229,061	\$0	\$0	\$0	<b>\$229,061</b>
<b>Total Expenditures</b>	<b>\$17,895,799</b>	<b>\$50,868,300</b>	<b>\$28,300,852</b>	<b>\$21,543,922</b>	<b>\$118,608,874</b>

## 2023 CAPITAL PROJECTS: \$16.7 MILLION

In the final year of this capital plan, IndyGo anticipates wrapping up all major and minor capital expenditures associated with the implementation of the Transit Plan and the associated impact to its fleet, facility, and staff. The primary drivers of cost in this final year will be the completion of the Red Line Marion County extensions and the continued replacement of diesel vehicles with fully-electric buses (see Table 8). Planned expenditures in this year represent just 3.1 percent of all capital expenditures throughout the entire capital plan.

**Table 8. 2023 Capital Projects**

Revenue	Q1	Q2	Q3	Q4	Total
Grants	\$4,470,158	\$5,135,822	\$2,274,718	\$0	<b>\$11,880,697</b>
Cash	\$1,150,763	\$2,518,559	\$33,224	\$33,224	<b>\$3,735,769</b>
Bonds	\$0	\$492,853	\$568,679	\$0	<b>\$1,061,533</b>
Other	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Total Revenue</b>	<b>\$5,620,921</b>	<b>\$8,147,234</b>	<b>\$2,876,620</b>	<b>\$33,224</b>	<b>\$16,677,999</b>
Expenditures	Q1	Q2	Q3	Q4	Total
Bus Rolling Stock	\$18,750	\$2,798,017	\$2,862,147	\$18,750	<b>\$5,697,664</b>
On-Street Infrastructure & BRT	\$5,349,218	\$5,349,218	\$14,474	\$14,474	<b>\$10,727,383</b>
Facilities and Equipment	\$0	\$0	\$0	\$0	<b>\$0</b>
Information Technology	\$0	\$0	\$0	\$0	<b>\$0</b>
Safety, Security, and Training	\$252,953	\$0	\$0	\$0	<b>\$252,953</b>
<b>Total Expenditures</b>	<b>\$5,620,921</b>	<b>\$8,147,234</b>	<b>\$2,876,620</b>	<b>\$33,224</b>	<b>\$16,677,999</b>



# FUNDING SOURCES

IndyGo's sources of funds for capital projects come from three major sources: grants, bonds, and capital revenue. Grant funding is further categorized into different programs from the FTA. Some of these funds are provided to IndyGo through federal formulas, established by Congress. IndyGo also routinely seeks competitive grant funding from the FTA and the Indianapolis Metropolitan Planning Organization (MPO) to supplement its formula funds. IndyGo has also been awarded FTA Section 5309 Capital Investment Grants funding, a competitive program to fund major capital projects that requires a successful application and the meeting of several project development milestones before accessing the funding. In addition to these sources of funds, IndyGo has received the support of the City of Indianapolis, via DPW and DMD investments through the Downtown and Airport tax increment finance (TIF) districts; IndyGo also anticipates an agreement with a community partner to support joint development activities adjacent to the Blue Line.

Each of the sources of funding accessed by IndyGo for capital projects are described in greater detail throughout this section. Once IndyGo has secured funding from the FTA or other sources, it assigns an identification number to the grant. These grant numbers are used throughout the sources and uses tables in the Capital Expenditures section of this document to link projects to specific funding sources. Table 9 outlines the relationship between those grant numbers and their original funding sources. Using this table, readers of this capital plan will be able to cross reference the sources and uses tables with the table below to identify the original funding source.

**Table 9. IndyGo Grant Number/Funding Sources**

5307 Formula	5309 Small Starts/ TIGER	5339 Formula	5310 Formula	CMAQ/STBG (TA, NEPA, IT)	STBG
IN90X683-11.41.03	Small Starts (Red)	IN-2016-024-11.44.03	IN-2017-018-11.12.04 (w/5307)	IN-2016-016-44.23.02	IN95X046-11.42.07
IN90X683-11.44.03	Small Starts (Purple)	IN-2016-024-11.32.07	FY 2018-2023 5310	IN-2016-016-11.71.03	IN95X046-11.71.03
IN90X605-11.42.07	Small Starts (Blue)	IN-2016-024-11.12.04		IN-2016-016-11.42.08	IN95X046-11.42.09
IN90X683-11.42.11		IN-2016-024-11.12.01		IN-2016-016-11.42.07	2020 STBG
IN90X683-11.42.06		IN-2016-024-11.42.11		IN-2016-016-11.12.01	2021 STBG
IN90X683-11.42.09		IN-2016-024-11.42.06		2020 CMAQ-TSP	
IN90X668-11.44.03		IN-2017-18-11.12.01 (w/5307)		2022 STP/CMAQ	
IN90X668-11.41.03		FY 2018-2023 5339		2023 STP/CMAQ	
IN-2017-018-11.12.01 (w/5339)					
IN-2017-018-11.32.07					
IN-2017-018-11.42.20					
IN-2017-018-11.42.11					
IN-2017-018-11.42.06					
IN-2017-018-11.12.04 (w/5310)					
FY 2018-2023 5307					
5307 Security Set Asides					

\*MPO Green Line grant, another source of federal grant funding, was competitively awarded outside of the programs listed above.

## GRANTS

### FTA Urbanized Area Formula Grants (Section 5307)

FTA Section 5307 resources are federal funds allocated to transit providers in urbanized areas throughout the United States. These resources are intended to provide support for transit agencies serving incorporated areas

of more than 50,000 people. Funding is apportioned on the basis of a legislative formula; for areas with a population of more than 200,000, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue miles, and fixed guideway route miles, as well as population and population density.

**Table 10. Anticipated 5307 Formula Funds for Capital**

<b>Total</b>	<b>\$18,980,131</b>
<b>FY 2018</b>	<b>\$3,600,778</b>
<b>FY 2019</b>	<b>\$3,841,041</b>
<b>FY 2020</b>	<b>\$4,223,432</b>
<b>FY 2021</b>	<b>\$5,838,222</b>
<b>FY 2022</b>	<b>\$1,476,658</b>
<b>FY 2023</b>	<b>\$0</b>

These funds are used to support capital projects and operations, and therefore are only partially available for capital projects. Capital projects supported through this funding program are generally required to secure a 20 percent local match. Funds allocated under this program are available in the year they are appropriated and through the subsequent five years.

It is anticipated that \$18,980,131 will be available for capital expenditures from the 5307 program to support capital projects through 2023 (see Table 10). This amount does not include 5307 Security Set Asides – 5307 formula funds required to be used for security purposes, which total an additional \$865,392 throughout the plan.

The current plan shows a substantial reduction in available 5307 from the previous plan; 5307 funds previously identified for capital will be used for operational expenditures and be replaced within the capital budget with cash that had been previously allocated to operations.

Additionally, the Indiana Department of Transportation recently completed an audit of its 5311 funds, which are reserved for rural trips. The audit revealed a significant percentage of rural providers in central Indiana are completing trips that begin and end in the urbanized area; INDOT has determined that these trips should be categorized as urban trips and charged against the region's 5307 allocation. As a result, IndyGo may see a loss in its share of regional 5307 funding beginning in 2021. Those potential reductions have been included within the planning assumptions associated with this plan.

### **FTA Bus & Bus Facilities Infrastructure Investment Program (Section 5339)**

This FTA program makes federal resources available to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities. These projects may include efforts to incorporate technological changes or innovations that reduce fleet emissions. Funding from this program is provided both through formula allocations and competitive grants. Capital projects funded through the FTA 5339 program generally require at least a 20 percent local match of the net capital project cost.

It is anticipated that \$13,067,449 in formula funds will be available through 2023 for capital projects (see Table 11). IndyGo will also submit applications to secure competitive funding associated with this program over the course of this plan; to the degree those applications are successful, they will reduce the amount required to be secured through bonds or other means.

**Table 11. Anticipated 5339 Formula Funds for Capital**

<b>Total</b>	<b>\$13,067,449</b>
<b>FY 2018</b>	<b>\$1,895,507</b>
<b>FY 2019</b>	<b>\$1,934,765</b>
<b>FY 2020</b>	<b>\$1,997,525</b>
<b>FY 2021</b>	<b>\$2,261,411</b>
<b>FY 2022</b>	<b>\$2,365,742</b>
<b>FY 2023</b>	<b>\$2,612,498</b>

### FTA Enhanced Mobility for Seniors and Individuals with Disabilities (Section 5310)

This program provides formula funding for the purpose of assisting private nonprofit groups in meeting the transportation needs of older adults and persons with disabilities. IndyGo receives formula funds from the Federal government and re-grants some of these resources to sub-recipients.

These resources can be used to purchase (and operate) buses and vans, wheelchair lifts, ramps, securement devices, transit-related information technology, mobility management programs, acquisition of contracted transportation services such as IndyGo's paratransit operations, and other expenditures.

IndyGo expects a total of \$3,884,754 will be available for capital projects through 2023 (see Table 12). Any expenses associated with this program for capital expenditures requires at least a 20 percent local match of the project cost.

**Table 12. Anticipated 5310 Formula Funds for Capital**

<b>Total</b>	<b>\$3,884,754</b>
FY 2018	\$611,218
FY 2019	\$625,276
FY 2020	\$639,657
FY 2021	\$654,369
FY 2022	\$669,419
FY 2023	\$684,816

### FTA Section 5309: Small Starts & TIGER

The FTA Capital Investment Grant program (Section 5309) is the primary federal funding source associated with major transit capital investments such as bus rapid transit facilities. Projects seeking Small Starts funding, a categorization within the Section 5309 program, are required to apply for entry into the program and then go through a phased project development process before securing a fully-executed grant agreement.

Depending upon the level of competitiveness of a particular project, the federal support for the project may range between 50 percent and 80 percent, with required match derived from other sources of funding.

The 5309 program is the primary funding mechanism associated with IndyGo's Red Line Rapid Transit Phase I project; that project successfully secured 80 percent participation from the federal government. This participation included a competitive Transportation Investment Generating Economic Recovery (TIGER) grant, which included local match from the cities of Indianapolis, Greenwood, Carmel and Westfield. This award was used to fund project development costs associated with the Red Line.

Per the Small Starts Grant Agreement executed in May 2018, IndyGo will receive a total of \$74,989,685 to support the Red Line BRT project, including resources available for construction, BRT vehicles, fare equipment, and other project related costs.

IndyGo anticipates applying for 5309 funds for the Purple and Blue BRT projects as well. The capital plan assumes a 50 percent award by the federal government on these projects, totaling \$170,000,000 (see Table 13); this figure represents an increase to previous capital plans. The increase is largely attributable to the Blue Line and IndyGo's plans to extend BRT service beyond Holt Road.

Should these resources not be available due to changes to the 5309 program or due to the federal budget, IndyGo would look to reduce the costs of

these projects through scope changes and value engineering. IndyGo would likely seek to expand its capital bond to offset any reductions relative to the expectations established within the

**Table 13. Anticipated 5309 Small Starts Funds**

<b>Total</b>	<b>\$244,989,685</b>
Red Line (Phase I)	\$74,989,685
Purple Line	\$70,000,000
Blue Line	\$100,000,000



development of the Transit Plan. IndyGo has been accepted into Project Development under 5309 for the Purple Line and anticipates making a request to enter Project Development on the Blue Line in late summer 2018.

### **Congestion Mitigation and Air Quality (CMAQ) and Surface Transportation Block Grant (STBG)**

The CMAQ program provides a flexible funding source for transportation projects that improve air quality and reduce congestion. Typical uses of these funds for the purposes of transit may include new transit services, service or system expansions, new vehicles, and fare subsidies to increase ridership. In central Indiana, these funds are administered by the MPO.

The Surface Transportation Block Grant (STBG) is flexible funding administered by the Federal Highway Administration. These resources may be used for highway or transit projects, as determined and prioritized at the local level. Typical transit projects funded through STBG could include purchase of vehicles, construction of fixed-guideway systems, and other transit-related investments.

In central Indiana, these funds are administered by the MPO; for the years 2018-2021, 3 percent of the region's STBG allocation is programmed for transit-related activities. The Capital Plan anticipates STBG awards of \$5,650,000 and \$4,867,537 for fleet replacement in 2020 and 2021, respectively, and likewise assumes a similarly-sized award in 2023.

IndyGo has requested and successfully been awarded CMAQ funding from the MPO throughout its history. Currently, IndyGo is receiving CMAQ funding for the following activities: Purple Line outreach, preliminary engineering, and NEPA activities; IndyGo is currently programmed in the MPO's *2018-2021 Indianapolis Regional Transportation Improvement Program* (IRTIP) to receive CMAQ funding in 2020 to install transit signal priority infrastructure at key intersections to increase service reliability.

Additionally, a combined \$4,595,827 million in STBG and CMAQ for the Red Line Rapid Transit extensions to the county lines has been awarded for 2022.

### **MPO Green Line Grant**

As part of the long-running study of the potential for rapid transit in various corridors throughout central Indiana, the MPO was awarded a grant to examine the feasibility of an enhanced corridor between downtown and Hamilton County via northeast Marion County. As these planning efforts matured, this corridor was denoted as the Green Line. Through preliminary planning and environmental work, it was determined that this corridor may have environmental and financial sustainability concerns that limited the feasibility of that corridor for rapid transit activities.

In 2017, in conversations between the MPO and IndyGo, it was determined that a study of the northeast downtown corridor served by several local routes that travel north and east from downtown may benefit from enhanced infrastructure. Such a study would fulfill the purpose and intent of the grant; through that process, the MPO awarded IndyGo \$700,000 in capital funding to pursue planning and preliminary design activities in these areas. These resources are dedicated to funding the planning work for IndyGo's "Super Stops" project along Delaware and Alabama Streets and Fort Wayne Avenue.

## **INDYGO CAPITAL REVENUE (CASH)**

IndyGo capital funds are resources derived from proceeds from property taxes in accordance with IC 36-9-4-48 and are typically used to provide local match for federal grants and pay for other general capital projects. Revenue from these taxes are held in the IndyGo Capital Cum Fund (Cash), established by the IPTC Board of Directors in 2004 and serve as a relatively liquid source of capital to support capital projects. At present, this tax is assessed on properties within Indianapolis and Beech Grove, but not within the other excluded cities and towns of Marion County. Currently, the capital plan calls for a total of \$73.8 million to be drawn from the Capital Cum fund from 2018 to 2023 to advance this capital plan and implement the Transit Plan.

## INDYGO ANTICIPATED DEBT (BONDS)

Periodically, IndyGo must issue general obligation bonds for the purpose of providing local financial contributions to federally-funded capital and equipment projects. The size and scope of IndyGo's current five-year capital program will require the issuance of bonds to provide resources to advance this capital plan and successfully implement the Transit Plan. Principal and interest payments for bonds issued to advance capital projects within this plan would be made from the proceeds of the newly adopted 0.25 percent local income tax that became effective in Marion County on October 1, 2017. This income tax is expected to generate \$56.8 million in 2019. The bonds would have a first lien position on the proceeds of the local option income tax.

The current capital plan requires \$119.8 million in total debt issuance through 2023. Authorizations to incur debt up to \$26 million through a bond issuance was approved by the Indianapolis-Marion County City County Council and the Indianapolis Bond Bank in August 2018; this is the first in a series of anticipated bonds over the course of the five-year plan.

The bonds will be structured as draw-down bonds, allowing IndyGo to draw down on bond proceeds in installments over a defined period of time rather than as a lump sum. This structure provides lower interest costs relative to traditional bond issuances in that interest only accrues on the portions of the proceeds that have been drawn down. When practical, IndyGo plans to pool bond issuances into as few actions as possible to reduce the indirect costs associated with bond issuances.

In projecting the finance costs associated with the bond issuance, IndyGo has assumed interest rates that are based upon the Thompson Reuters Municipal Market Data (MMD) AAA Curve. This approach yields conservative estimates in that the projections use the MMD yield as a baseline and then add additional basis points to provide a level of cushion for market uncertainties and future fluctuations in the bond market.

## OTHER SOURCES

### DPW funding

The City of Indianapolis is a funding partner for IndyGo's rapid transit projects. IndyGo and the city's Department of Public Works (DPW) are party to an Interlocal Agreement, detailing the roles and responsibilities of the ongoing maintenance and operations of the rapid transit infrastructure; it is anticipated that this agreement will include a commitment of \$4.25 million from DPW to support the implementation of the rapid transit projects.

### Tax-Increment Financing (TIF)

The Metropolitan Development Commission (MDC) serves as the City's redevelopment commission. Within any redevelopment or economic development area, the MDC has authority to create an allocation area for purposes of capturing incremental new taxes in the area through tax-increment financing (TIF). Eligible uses of the TIF revenues include capital project expenditures, such as public infrastructure projects, which directly serve or benefit a redevelopment or economic development area.

The MDC has determined that Red Line Rapid Transit Project will directly benefit the Consolidated Redevelopment Allocation Area located in downtown Indianapolis and has agreed to provide \$6 million in TIF revenue to support construction of the Red Line. Following the execution of the Small Starts Grant Agreement for the Red Line BRT, the MDC executed an agreement to appropriate these TIF resources to IndyGo in July 2018.

Similarly, the MDC has determined that the benefits of improving the West Washington Street corridor, from Holt Road to High School Road, would substantially advance the City's goals in that area. These benefits include enhanced transit operations in that area; substantial improvements to the street, sidewalk, and stormwater infrastructure; and the supporting of reinvestment and revitalization within the vicinity of the Indianapolis International Airport. Further, it is believed that any investment made in the Blue Line through the



TIF funds would ultimately lead to value capture, in which the initial investment sparks development that creates additional resources within the TIF. For those reasons, the MDC has agreed to allocate \$12.5 million from the Airport TIF to the Blue Line BRT project, upon execution of a Small Starts Grant Agreement for the Blue Line.

### **Joint Development**

Per the FTA Circular on Joint Development (FTA C 7050.1A), “As a matter of policy, the FTA encourages project sponsors to undertake joint development, and promotes the project sponsors ability to work with the private sector and others to pursue joint development.” These joint development projects promote investments that encourage private investment and/or economic development adjacent to transit facilities, thereby creating a public transit benefit. As part of its Blue Line Small Starts Application, IndyGo has programmed \$4 million in the project budget for the purposes of joint development. Assuming federal participation at 50 percent of project costs, the local match joint development activities would be \$2 million. IndyGo is working with community partners to secure this local match as a contribution to the project and its joint development activities.

## **CONTINGENCY PLANNING**

Each of the anticipated expenditures for projects included in this plan contain some contingency to address unanticipated issues and unexpected costs that may arise within the execution and implementation of individual projects. For projects that are smaller in scope in terms of their complexity and anticipated expense, contingencies may represent a fairly minor part of the budgeted expenditures (~5 percent). However, to accommodate the additional risk and uncertainty in more complex projects, such as the implementation of rapid transit projects, contingencies are much greater (~30 percent of anticipated project costs; see more below). IndyGo has been conservative in its budgeting to ensure it has the adequate resources necessary to overcome unanticipated issues and deliver these projects as planned.

Should anticipated revenue programmed to support individual projects not be realized throughout the course of this plan, IndyGo has considered strategies it would employ to ensure that it remains able to deliver the implementation of the Transit Plan, as outlined to the public in advance of the 2016 general election. If funding were unavailable for a smaller project due to an unanticipated change in funding sources, the cost of the project may be addressed through unspent contingency on other projects. IndyGo continues to monitor actual expenditures relative to anticipated expenditures, as outlined in this plan and the previous capital plan, making revisions (to expenses and revenue sources) as needed.

### **Contingency Planning for Small Starts (BRT)**

As part of its Small Starts application process for the Red Line BRT project and its capital planning efforts, IndyGo developed a 20-year financial model to evaluate long-term cash flow and support capital and operational planning through 2036. Through this 20-year financial model, a scenario examining the impact of no federal Small Starts participation in the construction of the Purple and Blue bus rapid transit corridors were considered; in such a scenario, IndyGo is still able to deliver the Transit Plan, as presented to voters in advance of the 2016 general election.

Should the Small Starts program be no longer available or IndyGo be unable to access its funding on future rapid transit projects, IndyGo would adjust its capital program outlined in this document by increasing the total of its anticipated bonds. Additionally, it would seek to reduce expenses through eliminating a portion of the planned contingency from the Purple Line, the Blue Line western corridor would be constrained to that which was in the Transit Plan (i.e., no additional infrastructure past Holt Road), the Red Line extension stations would be slightly pared down, and other adjustments in planned expenditures would be made to assist in cash flow as the debt would be retired.

# CAPITAL EXPENDITURES

Implementation of the Transit Plan will include local service improvements, construction and operation of rapid transit corridors, bus stop optimization and adjustments, information technology upgrades, improvements to supporting infrastructure, and the expansion and enhancement of transit operations and maintenance facilities. The expenditures associated with these improvements generally fall into five categories:

- **Bus Rolling Stock:** These expenses include planned replacement of local-fixed route vehicles, paratransit vehicles, support vehicles, and supplemental batteries for IndyGo's existing electric fleet, as well as equipment to maintain the fleet in good condition.
- **On-street infrastructure and bus rapid transit:** The core of the Transit Plan is the implementation of three rapid-transit lines and the switch to a grid-based local network with faster and more frequent service running longer hours. The capital expenses associated with bus rapid transit are substantial and represent a significant majority of capital expenditures over the next five years. In addition to implementing the rapid transit corridors, IndyGo will work with the City to convert three one-way streets to two-way and improve several local route stops, shelters, and sidewalks.
- **Facilities projects:** As IndyGo increases its fleet and the size of its staff, it is updating, upgrading, renovating, and modernizing its facility to accommodate its growth. Several projects are planned for IndyGo's primary administration and maintenance facility at 1501 W. Washington St. IndyGo is also exploring the potential for securing an off-site multi-purpose facility. Construction of these projects will be phased to minimize disruptions to regular operations.
- **Information technology & finance:** Similar to other transit agencies in large cities, IndyGo deploys several systems that improve its efficiency in monitoring and operating transit service; many of these systems fall within the purview of information technology and/or finance. IndyGo anticipates dedicating resources to upgrading existing systems, maintaining systems, and adopting new technologies as part of this five-year capital effort.
- **Safety, Security, and Training:** IndyGo considers the safety and security of its employees, passengers, fleet, and facilities in all that it does. Safety and security measures are built into nearly every capital project regardless of size or scope; thus, safety and security expenditures are a sub-component of every project included in this plan. Additionally, IndyGo plans to secure specific safety, security, and training equipment, separate from other projects, over the course of the next five years.

The following pages outline and describe each of IndyGo's planned expenditures through 2023. Detailed tables of expenditures and sources are available in the subsequent section. For projects that have incurred costs prior to the drafting of this plan, the total costs listed here include the entirety of those projects' costs.



## BUS ROLLING STOCK: FLEET REPLACEMENT AND MAINTENANCE

### Fixed Route Bus Replacement

IndyGo currently has 158 vehicles in its operational fleet, with vehicles as old as 1999 operating in daily service (and 1997 model year vehicles in its contingency fleet). Of the 158 vehicles, 46 have surpassed their useful life based on years in service and 55 have surpassed the minimum useful life standard in terms of mileage. These vehicles have reduced reliability, require additional service, and create more emissions than more recent model years. IndyGo plans to substantially upgrade its fleet as part of the Transit Plan, ensuring its entire fleet is within the useful life for buses.

Additionally, recognizing the environmental benefits, the operational efficiencies, and the reduced externalities of operating electric buses, IndyGo's fleet replacement plan calls for the replacement of all diesel vehicles with electric ones by 2032. In total IndyGo's fleet will include 192 vehicles, comprised of 136 electric vehicles in local service, and 56 electric-vehicles in rapid transit service.

Between 2019 and 2023, IndyGo presently plans to replace 39 fixed-route coaches. It is planned that each of these replacements will be fully electric vehicles.

IndyGo currently plans to lease these vehicles rather than purchase them; this approach results in a substantial cost savings in terms of the upfront cost of these vehicles as well as savings that will be realized through a reduction in the debt required to advance this plan. Through this approach, IndyGo anticipates a total expenditure of \$20,193,439 through 2023 with resources from grants, bonds, and cash. IndyGo will also pursue competitive grant applications – and creative financing strategies – to speed the process of updating and upgrading the local fleet to bring the fleet into a state of good repair.

### Open Door Van Replacement

IndyGo provides paratransit services throughout Marion County to serve those individuals who are unable to utilize the fixed-route transit service; this service is known as Open Door. IndyGo's Open Door service operates a fleet of mid-sized vans with wheelchair lifts and forward-door loading capabilities.

Like fixed route vehicles used by IndyGo, these vans have a limited useful service life before they need to be replaced. To ensure that IndyGo's service remains safe and reliable, IndyGo has programmed \$8,363,303 in expenditures through 2023 to replace paratransit vehicles that have met or exceeded their useful service life. These costs will be allocated to grants, bonds, and future IndyGo capital revenue.

### Other Rolling Stock & Equipment

Support Vehicle Replacement - IndyGo transportation and maintenance teams require quick and reliable transportation to respond to incidents in the field involving buses, operators, or other infrastructure. As with other vehicles in its fleet, IndyGo periodically needs to replace its support vehicles to ensure that they remain safe and reliable for employees. IndyGo has programmed \$936,000 through 2023 to replace support vehicles; it is anticipated that these costs will be covered through grants and capital revenue.

Headsign Midlife Equipment - Similar to other components on the bus, headsigns require a mid-life overhaul to remain in good working condition and ensure that they remain legible to passengers. Prior to the Transit Plan, IndyGo did not have an established program to address midlife headsign overhauls. Moving forward, IndyGo plans to program resources for this effort as part of its ongoing capital plan. IndyGo anticipates a total expenditure of \$412,500 through 2023 for headsign midlife overhauls, with all funds sourced from capital revenue.

Maintenance Heavy Equipment and Other Expenses - IndyGo's vehicle fleet often requires major repairs at its maintenance and operations facility to ensure that buses can quickly be returned to service. These repairs require heavy equipment that has a limited useful service life. To enable IndyGo to continue to conduct these repairs at its maintenance facility, this equipment—including, but not limited to, scissor lifts, cutter machines, bending machines, platform and portable lifts, a hydraulic press, a metal lathe, and other heavy equipment—

must be purchased and/or replaced. In total, IndyGo anticipates expenditures of \$5,430,000 through 2023, with funds sourced from grants, bonds, and future capital revenue.

**Table 14. Bus Rolling Stock: Sources and Uses**

	Paratransit Bus Replacement	Fixed Route Bus Replacement	Support Vehicle Replacement	Maintenance Heavy Equipment	Headsign Midlife Equipment	Total
2020 STBG		\$5,650,000				\$5,650,000
IN-2017-018-11.12.01		\$3,583,293				\$3,583,293
IN-2016-024-11.12.01		\$2,608,966				\$2,608,966
2021 STBG		\$2,405,201				\$2,405,201
IN-2017-018-11.12.04	\$1,625,427					\$1,625,427
FY2023 5339	\$436,779			\$816,000		\$1,252,779
IN-2016-016-11.12.01		\$1,129,204				\$1,129,204
FY2021 5339				\$816,000		\$816,000
FY2022 5339				\$816,000		\$816,000
FY2018 5339		\$778,087				\$778,087
IN-2016-024-11.12.04	\$743,693					\$743,693
FY2023 5310	\$684,816					\$684,816
FY2022 5310	\$669,419					\$669,419
FY2021 5310	\$654,369					\$654,369
FY2020 5310	\$639,657					\$639,657
FY2019 5310	\$625,276					\$625,276
FY2018 5310	\$611,218					\$611,218
IN-2016-024-11.42.06				\$240,000		\$240,000
IN-2017-018-11.42.06				\$240,000		\$240,000
IN90X683-11.42.06				\$240,000		\$240,000
IN-2017-018-11.42.11			\$208,000			\$208,000
IN90X683-11.42.11			\$117,681			\$117,681
IN-2016-024-11.42.11			\$98,240			\$98,240
IN90X683-11.42.09				\$77,483		\$77,483
IN95X046-11.42.09				\$66,800		\$66,800
IN-2017-018-11.42.20				\$32,000		\$32,000
Grant Sub Total	\$6,690,653	\$16,154,751	\$423,921	\$3,344,283	\$0	\$26,613,608
Cash	\$812,501	\$603,970	\$512,079	\$418,717	\$412,500	\$2,759,767
Bonds	\$860,160	\$3,434,718	\$0	\$1,667,000	\$0	\$5,961,878
Total	\$8,363,314	\$20,193,439	\$936,000	\$5,430,000	\$412,500	\$35,335,253





## BUS RAPID TRANSIT & ON-STREET INFRASTRUCTURE

### BRT: Red Line Rapid Transit (Phase I)

The IndyGo Red Line Phase I is the first of three major bus rapid transit projects in Indianapolis. The project includes all requirements for BRT—station infrastructure, dedicated running ways, transit-signal priority, level boarding, and off-board fare collection infrastructure—as well as improvements to streets, sidewalks, ramps, and drainage within the corridor. The project cost also includes fully-electric, 60-foot vehicles specifically designed to operate on the planned BRT project.

Once operational, the Red Line will operate 20 hours per day on weekdays with peak headways between 10 and 12 minutes. Current weekday ridership within the corridor is 7,762, with an expected 10,291 daily riders once the Red Line is operational.

The first phase of the Red Line will reach from Broad Ripple at 66th Street, traveling through downtown to the University of Indianapolis. Design activities for the Red Line occurred from 2015 through 2017, and a construction management contract was awarded in 2016. The Red Line construction contracts were awarded in December 2017, and the Small Starts Grant Agreement was executed in May 2018. Major construction is expected to be completed in 2019.

The Red Line opening will coincide with a major restructuring of IndyGo's local service, consistent with the Transit Plan.



**Table 15. Red Line BRT Sources and Uses**

<b>Total Cost</b>	<b>\$96,330,181</b>
<b>Total Remaining Cost (as of 7/25/18)</b>	<b>\$82,839,806</b>
<b>Sources (remaining)</b>	
Federal Small Starts (5309)	\$74,989,685
Downtown TIF	\$6,000,000
Indianapolis DPW	\$1,300,000
IndyGo Capital Cum Fund (Cash)	\$550,121
<b>Uses (remaining)</b>	
Professional Services & Administration	\$5,361,944
Vehicles	\$16,853,824
Construction	\$60,624,038

### BRT: Purple Line Rapid Transit

The Purple Line is to be the second of the three rapid transit lines constructed in accordance with the Transit Plan; its operational profile will mirror that of the Red Line (see Red Line Phase I). The cost of the project includes those components required to operate the BRT as well as a substantial investment in streets, sidewalks, and drainage infrastructure.

The Purple Line will replace Route 39, the route with IndyGo's highest single-route ridership. The Purple Line alignment will largely mirror the Route 39 corridor—operating along Meridian Street to 38th Street and east on 38th Street to Post Road—and then extend northward on Post Road. The corridor's northern terminus will be in Lawrence Village. The Purple Line will share the Red Line infrastructure from 18th and Meridian to 38th and Park, providing five-minute headways for those traveling between those stations and downtown. Design for the Purple Line commenced in 2017 and will continue through 2019. Construction is anticipated to begin in 2019, with revenue service beginning in 2021.

The Purple Line is in FTA's 5309 project pipeline, having been accepted into project development in 2017. The current capital plan anticipates a 50 percent cost share between federal and local resources; however, contingencies are in place to support the project if the federal share should differ from what is anticipated.



**Table 16. Purple Line BRT Sources and Uses**

<b>Total Cost</b>	<b>\$140,000,000</b>
<b>Total Remaining Cost (as of 7/25/18)</b>	<b>\$136,842,291</b>
<b>Sources (remaining)</b>	
Federal Small Starts (5309)	\$70,000,000
IN-2016-016-44.23.02 (NEPA)	\$579,686
FY2019 5339	\$1,934,765
FY2019 5307	\$3,841,041
FY2020 5307	\$2,077,794
FY2020 5339	\$1,352,252
Indianapolis DPW	\$1,150,000
Bonds	\$11,714,553
IndyGo Capital Cum Fund (Cash)	\$44,192,199
<b>Uses (remaining)</b>	
Professional Services & Administration	\$20,183,783
Vehicles	\$22,177,818
Construction	\$94,480,690

The Blue Line is planned as the third of the three bus rapid transit lines outlined in the Transit Plan. This BRT facility will mirror the operational profiles of the Red and Purple lines.

Design activities for the Blue Line began in early 2018 and will continue through 2020. Construction is anticipated to begin in 2020, with revenue service beginning in 2022.



Relative to the previous five-year capital plan, the \$200,000,000 in planned expenditures for the Blue Line is nearly \$48 million more than previously planned. This increase in cost is primarily attributable to the inclusion of West Washington Street, from Holt Road to High School Road, within the project. This area will require substantial improvements to street, sidewalk, and drainage infrastructure (in addition to the costs attributable to stations). The City, through the MDC, has allocated \$12.5 million from the Airport TIF as an upfront investment, which will be recaptured through future investments, to support these upgrades.

**Table 17. Blue Line BRT Sources and Uses**

<b>Total Cost</b>	<b>\$200,000,000</b>
<b>Total Remaining Cost (as of 7/25/18)</b>	<b>\$199,408,264</b>
<b>Sources (remaining)</b>	
<b>Federal Small Starts (5309)</b>	<b>\$100,000,000</b>
<b>Airport TIF</b>	<b>\$12,500,000</b>
<b>Indianapolis DPW</b>	<b>\$1,150,000</b>
<b>Bonds</b>	<b>\$83,745,954</b>
<b>IndyGo Capital Cum Fund (Cash)</b>	<b>\$12,310</b>
<b>Joint Development Partner</b>	<b>\$2,000,000</b>
<b>Uses (remaining)</b>	
<b>Professional Services &amp; Administration</b>	<b>\$41,427,733</b>
<b>Vehicles</b>	<b>\$25,938,960</b>
<b>Construction</b>	<b>\$132,041,571</b>

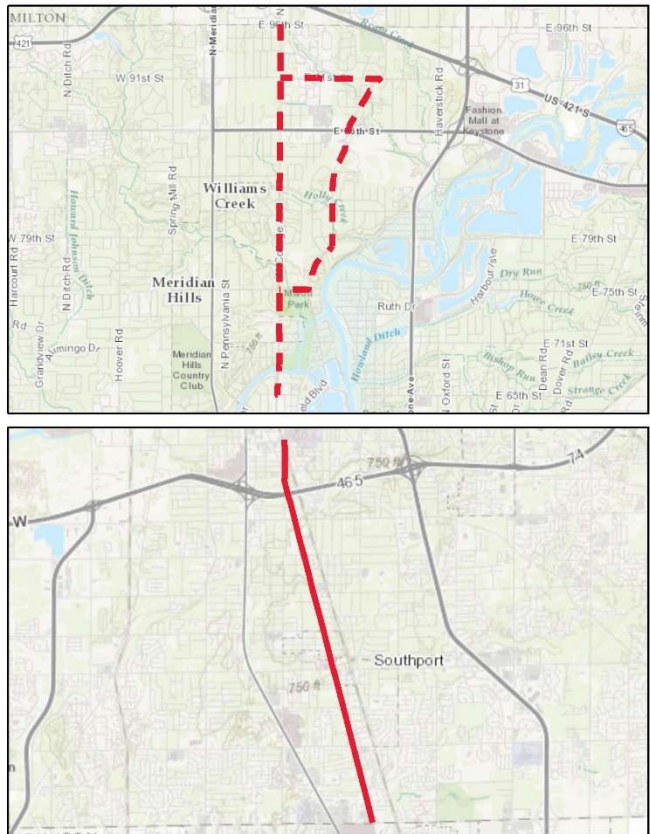


**BRT: Red Line Rapid Transit (Phases II & III)**

As part of the Transit Plan implementation, the Red Line BRT service will be extended to the county line to the north (Phase II) and south (Phase III). This project scope will include all components required to operate the rapid transit service as well as required infrastructure improvements.

The southern alignment of the route is planned to extend southward from the University of Indianapolis, along Shelby and Madison to the vicinity of Greenwood Park Mall. The northern alignment of the route will extend northward from the 66th Street terminus of the Red Line Phase I to College Avenue and 96th St; the alignment between those points will be finalized through the design process.

The Indy Connect plan calls for the Red Line to extend northward to the City of Westfield and southward to the City of Greenwood. The extensions of the Red Line outside of Marion County is contingent upon local funding sources being developed within Hamilton and Johnson counties. Preliminary design and environmental work associated with these extensions were conducted as part of the Red Line Phase I design efforts; however, those extraterritorial extensions are not included in this capital plan.



<b>Total Cost</b>	<b>\$37,439,751</b>
<b>Sources</b>	
FY2020 5307	\$2,145,639
FY2021 5307	\$5,838,222
FY2021 5339	\$576,317
FY2022 5339	\$1,549,742
2022 STP/CMAQ (Red Line Ext.)	\$4,595,827
FY2022 5307	\$1,476,658
2021 STP - Fleet Replacement	\$2,462,336
2023 STP/CMAQ	\$4,595,827
FY2023 5339	\$1,359,719
DPW	\$650,000
Bonds	\$11,948,488
IndyGo Capital Cum Fund (Cash)	\$240,976
<b>Uses</b>	
Professional Services & Administration	\$6,471,359
Vehicles	\$6,474,753
Construction	\$24,493,639

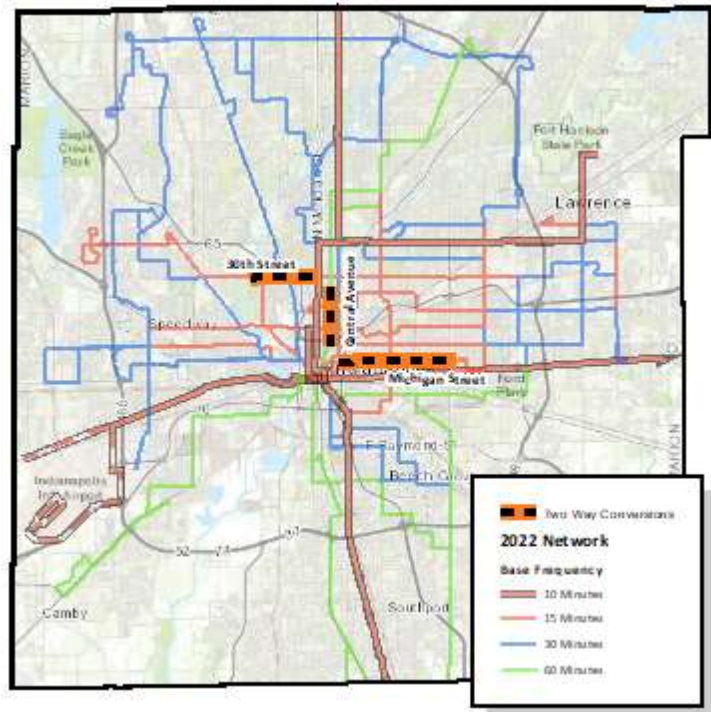
## Two-way conversions

Local routes operating on one-way pairs reduce the usefulness of the transit service for riders; for the service to be useful to the rider, both corridors need to be walkable to riders' origins and destinations. Further, those not familiar with the transit system and its operations may not easily discern that a particular transit line on a map only goes in one direction.

Indianapolis' street pattern has several one-way pairs upon which IndyGo currently operates transit service; these streets will see increased transit service with the implementation of the Transit Plan. Specifically, East Michigan Street, 30th Street, and Central Avenue, are currently one-way streets recommended for 15-minute service. To make these routes more efficient and effective, converting these streets to two-way streets with transit service operating in both directions.

These projects would include new traffic signals and pavement markings; they may also require resurfacing of these streets with upgraded sidewalks and pedestrian crossings. Any changes to the City's street network will require the approval of the City of Indianapolis–DPW. IndyGo plans to continue working closely with DPW to plan and implement these projects.

Design work for converting Central Avenue began in 2018 and construction is planned for late 2018 or early 2019. Construction efforts for Central Avenue are being managed by DPW. IndyGo is completing traffic studies to assess the potential impacts of converting Michigan Street and 30th Street; pending the concurrence of DPW, construction will commence on Michigan St conversions in 2019 and 30<sup>th</sup> Street will begin in 2020.



**Table 18. Two-Way Conversions: Sources and Uses**

	Michigan Street	30 <sup>th</sup> Street	Central Avenue	Total
<b>Remaining Cost</b>	<b>\$4,238,680</b>	<b>\$2,161,889</b>	<b>\$2,148,465</b>	<b>\$8,549,033</b>
<b>Sources</b>				
<b>IndyGo Capital Cum Fund (Cash)</b>	\$4,238,680	\$2,161,889	\$2,148,465	\$8,549,033
<b>Uses</b>				
<b>Professional Services &amp; Admin</b>	\$15,000	\$10,000	\$0	\$25,000
<b>Construction</b>	\$4,223,680	\$2,151,889	\$2,148,465	\$8,524,033

### Transit Stop Amenities: Shelters, Signs, & Sidewalks

As part of the implementation of the Transit Plan, in accordance with IndyGo's service standards, many local routes will be restructured, and the placement of bus stops may be altered. As part of this effort, bus stops will be added, eliminated, or relocated and locations of existing shelters and other amenities will be adjusted accordingly.



Planning for these efforts began in 2018; as part of this effort, IndyGo is also seeking to optimize the spacing of bus stops to improve system efficiency and service reliability.

The implementation of supporting bus stop improvements is a complex process and planning for the usage of stops on a yet-to-be-activated local network creates further challenges. The use of the new network, starting in 2019, will provide IndyGo with new baseline data for ridership. Using this data, IndyGo will continue to refine the local network and its supporting infrastructure, stop locations, and stop amenities beyond 2019.

As part of the route restructuring and bus stop optimization efforts, some stops will be eliminated, and other stops may see improvements. It is estimated that nearly 75 percent of IndyGo's existing bus stops will be impacted in some manner. For those stops seeing improvements, these efforts may include improvements to streets, sidewalks, curbs, and ramps.

Prioritization of the placement of local transit amenities, such as benches and shelters, is being based on multiple variables, including transfer points, frequency of service, adjacent land uses and their density/intensity, and their propensity to generate trips.

It is anticipated that these changes will occur in advance of the Red Line opening and the coincident change from a hub-and-spoke system to a grid-based network.

In addition to those changes required in advance of the implementation of the Transit Plan, IndyGo regularly plans for the repair, replacement, and/or construction of transit stop amenities throughout its service area; these efforts will continue. It has programmed \$240,210 from future capital revenue to this effort, beginning in late 2019.

**Table 19. Transit Stop Amenities Sources and Uses**

<b>Total Cost</b>	<b>\$5,188,080</b>
<b>Sources</b>	
IndyGo Capital Cum Fund (Cash)	\$1,004,480
Bonds	\$4,183,600
<b>Uses</b>	
Professional Services & Admin	\$864,680
Construction	\$4,323,400



### Downtown Local Route "Super-Stops"

The Transit Plan route reconfiguration includes multiple local routes coming from the north and east into downtown, overlapping on their routes into the Julia M. Carson Transit Center. To speed and enhance local service through the downtown area and secure operational efficiencies where these routes overlap, IndyGo is proposing a series of "Super-Stops" that will have many of the characteristics of bus rapid transit, except for level-boarding.

These super-stops will serve Alabama Street, Delaware Street, and Fort Wayne Avenue, where Routes 10, 19, and 28 overlap; nearer the transit center, these stops may also serve Routes 3, 2, 37, 6, 34 and 4.

These stops will be partially elevated to reduce the step-up height into buses, be longer than traditional bus stops (as there will be several frequent lines which access them, and it is possible that more than one bus may be at the stop at any time), include real-time information, and have sheltered waiting areas. These stops may also include other electronic features, such as security cameras or off-board fare collection, but this has not yet been finalized.

As part of this project, Fort Wayne Avenue will be converted from a one-way street to a two-way street, between Alabama and Delaware Streets. The corridors upon which these routes operate may also incorporate bus-only or BAT lanes proximate to the Super-Stops; at present, exclusive or semi-exclusive lanes are being explored for Delaware Street. The feasibility of these lanes will be determined, in consultation with DPW, as planning proceeds.

In the original *IndyConnect* plan, the Green Line was envisioned as a rapid transit corridor serving northeast Marion County extending into Hamilton County. During planning for the Green Line, feasibility issues associated with the route and its financial sustainability were identified; it was determined not to proceed with rapid transit planning for that corridor.

The area of downtown for which this project is planned is within the planning area for the Green Line and meets the purpose for the funding source associated with planning activities for that area. Planning efforts for this project will be partially funded through the Green Line planning grant from the MPO, with the remainder of planning resources and all construction resources to be funded through future IndyGo capital revenue. Early planning work for this effort has begun, and the project is expected to continue through the middle of 2019.



Representative image of Super-Stop concept  
Image Credit: Chicago Dept. of Transportation

**Table 20. Downtown Super-Stops Sources and Uses**

<b>Total Cost</b>	<b>\$4,200,000</b>
<b>Sources</b>	
MPO Green Line Grant	\$480,000
FY2018 5307	\$2,800,000
IndyGo Capital Cum Fund (Cash)	\$920,000
<b>Uses</b>	
Professional Services & Admin	\$600,000
Construction	\$3,600,000

## Other On-Street Infrastructure

**Transit Signal Priority** - Transit Signal Priority, or TSP, is a technology that permits vehicles to communicate with signals at intersections and give the vehicle priority over other traffic. In practice, these systems hold a green phase of a light for a few extra seconds to allow approaching buses to pass through the intersection or shorten the length of a red light for a bus stopped at a signal. These systems are designed to work with other systems providing "pre-emption" authority to emergency vehicles, in which the movement of emergency vehicles preempts all other traffic movements through an intersection, including buses.

IndyGo will include TSP equipment in its BRT corridors, contributing to the service reliability of the BRT system. Likewise, IndyGo will conduct analyses to assess the need for TSP systems elsewhere throughout its local service network to improve service reliability and secure operational efficiencies.

IndyGo anticipates allocating \$1,691,600 in 2020, from a CMAQ award and capital revenue, to fund the installation of additional TSP equipment throughout the network.

**Table 21. Transit Signal Priority Sources and Uses**

<b>Total Cost</b>	<b>\$1,691,600</b>
<b>Sources</b>	
2020 CMAQ - TSP	\$1,353,280
IndyGo Capital Cum Fund (Cash)	\$338,320
<b>Uses</b>	
Professional Services & Administration	\$338,320
Construction	\$1,353,280

**Rural Street Under Pass** - As part of the Transit Plan implementation, IndyGo plans to provide crosstown service with a 15-minute base frequency along Keystone Avenue/Rural Street (Route 26). Due to clearance concerns where Rural Street passes below the CSX railroad tracks south of Washington Street, the Route 26 currently makes a substantial out-of-direction detour to Sherman Drive.

This detour will become increasingly costly, requiring additional coaches and operators required to provide 15-minute service on this route. To improve and provide effective high-frequency service, IndyGo is proposing to alter Rural Street to increase clearance beneath the CSX railway. This would permit service to remain on Rural Street and eliminate the time-consuming detour.

IndyGo anticipates allocating \$500,000 from capital revenue in 2018 to complete this project. Any work on the streets proximate to the railroad tracks will require substantial coordination with CSX and DPW

**Table 22. Rural Street Underpass Sources and Uses**

<b>Total Cost</b>	<b>\$500,000</b>
<b>Sources</b>	
IndyGo Capital Cum Fund (Cash)	\$500,000
<b>Uses</b>	
Professional Services & Administration	\$50,000
Construction	\$450,000



Image Credit: No Mean City

**Table 23. BRT and On-Street Infrastructure Sources and Uses (Remaining)**

	Red Line Phase I	Purple Line	Blue Line	Red Line Extensions	Two-Way Conversions	Ongoing Bus Stop Amenities	MCTP Bus Stop Amenities	Super-Stops	Transit Signal Priority	Rural Street Underpass	Total
Small Starts - Blue			\$100,000,000								\$100,000,000
Small Starts - Red	\$74,989,685										\$74,989,685
Small Starts - Purple		\$70,000,000									\$70,000,000
FY2021 5307				\$5,838,222							\$5,838,222
2023 STBG/CMAQ				\$4,595,827							\$4,595,827
2022 STBG/CMAQ				\$4,595,827							\$4,595,827
FY2020 5307		\$2,077,794		\$2,145,639							\$4,223,432
FY2019 5307		\$3,841,041									\$3,841,041
FY2018 5307								\$2,800,000			\$2,800,000
2021 STBG				\$2,462,336							\$2,462,336
FY2019 5339		\$1,934,765									\$1,934,765
FY2022 5339				\$1,549,742							\$1,549,742
FY2022 5307				\$1,476,658							\$1,476,658
FY2023 5339				\$1,359,719							\$1,359,719
2020 CMAQ									\$1,353,280		\$1,353,280
FY2020 5339		\$1,352,252									\$1,352,252
IN-2016-016-44.23.02		\$579,686									\$579,686
FY2021 5339				\$576,317							\$576,317
MPO Green Line Grant								\$480,000			\$480,000
Grant Subtotal	\$74,989,685	\$79,785,538	\$100,000,000	\$24,600,287	\$0	\$0	\$0	\$3,280,000	\$1,353,280	\$0	\$284,008,790
<b>OTHER</b>											
Downtown TIF	\$6,000,000										\$6,000,000
DPW	\$1,300,000	\$1,150,000	\$1,150,000	\$650,000							\$4,250,000
Airport TIF			\$12,500,000								\$12,500,000
Joint Development			\$2,000,000								\$2,000,000
Other Subtotal	\$7,300,000	\$1,150,000	\$15,650,000	\$650,000	\$0	\$0	\$0	\$0	\$0	\$0	\$24,750,000
Cash	\$550,121	\$44,192,199	\$12,310	\$240,976	\$8,549,033	\$240,210	\$1,004,480	\$920,000	\$338,320	\$500,000	\$56,547,649
Bonds		\$11,714,553	\$83,745,954	\$11,948,488			\$4,183,600				\$111,592,595
Total	\$82,839,806	\$136,842,291	\$199,408,264	\$37,439,751	\$8,549,033	\$240,210	\$5,188,080	\$4,200,000	\$1,691,600	\$500,000	\$476,899,034

## FACILITIES

As part of its ongoing operations, IndyGo regularly engages in maintenance and rehabilitation projects to maintain its facility at 1501 W. Washington Street; this facility houses IndyGo's administration, operations, maintenance, and drivers' facilities. Beyond routine maintenance and rehabilitation projects, this facility will require several upgrades to enable service increases associated with the implementation of the Transit Plan. Additionally, IndyGo plans to pursue the leasing and/or acquisition and subsequent renovation of a facility to serve as a multi-purpose operations and training area. Collectively, these efforts will position IndyGo to remain effective and efficient in providing transit service and adequately house the increase in rolling stock and employees necessitated by the implementation of the transit plan.

### Facilities Design Task Orders

With several renovation projects planned for IndyGo's primary maintenance, operations, and administration facility over the next five years, IndyGo has retained on-call design services from two firms – Etica Group and WSP – to provide design support and assistance with optimally phasing these projects in such a way that they do not hinder operations.

Specifically, these task orders are examining designs for electric bus charging, administrator and operator lounges, wash rack and door widening, paint booth, and maintenance area. Further, there is a task order specifically detailed to supporting design around a multi-purpose facility that would be located away from IndyGo's primary facility (more information below).

These design efforts have already begun and are planned to continue through 2019, with funding derived from grants and capital revenue. For the remainder of these projects, IndyGo anticipates expending \$850,000 to advance these planning and design efforts.

### Office Area Renovations (Including Furniture)

As the number of IndyGo employees grows, substantial renovations will be required to house the staff and their job functions. In addition to adding office space, IndyGo will need to ensure adequate conference space for meetings and ancillary activities. IndyGo is currently working with Etica Group to assess varying approaches to renovating its administrative offices to meet its growing need for space. Renovations to the administrative area may also include the addition of a new training room to accommodate new driver training and office in-services.

At present, it is planned for there to be four phases of work, broken down by building area. Phase I will include the Operations' administration area. Phase II will include the new HR Area (currently the Capital Projects area and Procurement areas). Phase II will also see the commencement of work in the Operators Lounge. Phase III will include the administration area currently occupied by HR and IT. Phase IV will include the northernmost area of the administrative facility, currently occupied by the CEO, Finance, and Legal; these efforts will also include upgrades to the entry area to the main facility.

Furniture decommissioning is also being coordinated by Etica Group with their subcontractor Steelcase. This program provides IndyGo the opportunity to donate (waste-to-energy), resell, and recycle furniture, limiting the environmental impact of renovations. Replacement furniture will be included in a future procurement, separate from the project budget.

Office area renovations are anticipated to total \$2,680,000; these expenditures will occur mostly in 2018 with additional expenditures planned for 2021. Funds will be derived from future capital revenue.

### Level Boarding Modifications (DTC)

Level boarding—where a boarding or alighting passenger is able to step on or off the bus to a platform that is level with the floor height of the bus—has been shown to significantly reduce dwell times for buses. There is



benefit for all users, but level boarding is especially beneficial for passengers using assistive mobility devices, strollers, and bicycles. Reducing dwell times is the primary reason level boarding modifications are considered a key requirement for bus rapid transit service.

When the transit center was designed and constructed, it did not make sense to include level boarding due to variations and incompatibility with IndyGo's existing fleet. However, with the restructuring of local routes that will free up bays in the transit center, with the standardization of buses being used on the rapid transit corridors, and the introduction of three new rapid transit routes, IndyGo will need to retrofit five bays of the transit center to serve the bus rapid transit vehicles and provide level boarding experiences. Additionally, the project will ensure that the configuration of the bays provide accessibility to rapid transit lines.

IndyGo anticipates expending \$1,700,000 in 2020 to complete the modifications, with funding derived from capital revenue. These efforts will be funded separately from the rapid transit projects funded through the Small Starts projects outlined previously.

### **Bus Charging Infrastructure (Garage)**

As IndyGo implements bus rapid transit service and shifts more of its fleet to electric-propulsion vehicles, it needs to install additional charging infrastructure throughout the maintenance and operations facility. Additionally, IndyGo also needs to increase the capacity of electrical service to its facility. A comprehensive analysis has been conducted by WSP to outline the necessary infrastructure.

The addition of this charging infrastructure will enable IndyGo to pursue its long-range bus replacement plan, which calls for introducing an average of eight new fixed route electric-propulsion buses annually between 2019 and 2032 and 56 new 60' electric BRT vehicles between 2018 and 2022. By 2032, IndyGo projects having a total of 193 buses in its fleet (56 BRT vehicles and 143 in local service), all of which will be electric. Chargers for these vehicles will be included in the price of the vehicles; this capital investment would support any necessary retrofitting of the electrical infrastructure within the garage or external to the facility required to operate the chargers.

These facilities will be implemented in 2018, using future IndyGo capital revenue, a competitively awarded Section 5339(c) Low or No Emission Vehicle Program award, and formula funds; the project is expected to cost \$2,683,446.

### **Multi-Purpose Transit Facility Purchase & Renovation**

IndyGo is seeking a multi-use/multi-purpose transit facility with the requisite size, condition, space, and location to purchase and house and service a sizable proportion of its fleet to ease constraints on its existing facility. This facility could house IndyGo operational activities, serve as a training facility, and provide space for additional staff.

It is anticipated that any selected facility will need to be retrofitted to include space and infrastructure to include bus wash equipment, exhaust circulation, service lifts, bus parking, electric charging infrastructure, floor drains, a training room, and other equipment. The facility will be outfitted with equipment such as fuel tanks, service bays, wash facilities, charging stations, etc., with the ability to service vehicles of varying sizes up to 60' articulated buses. Any selected facility will likely also require retrofitting to meet IndyGo safety and security standards (some of these costs are included within the Safety, Security, and Training section of this plan).

IndyGo anticipates the allocation of \$4,082,200 to acquire, renovate, and outfit the new facility in 2019. Funding for the project will be derived from bonds.

### **Building Exterior Improvements**

In order to maintain its current facility in good condition and limit future renovation expenses, the exterior of IndyGo's main facility needs ongoing maintenance and improvements. Currently, the capital plan calls for masonry repairs and tuckpointing, repair to structural cracks and lintels in the masonry structure, installation

of security screen doors, concrete driveway replacement, a reconfiguration of the loading dock and employee parking area, and parking lot sealing. These improvements will be funded through a combination of formula funds, bonds, and IndyGo capital revenue; the total cost of the improvements is anticipated to be \$2,292,000. These improvements will be spread between 2018 and 2022.

*Masonry Repair and Tuckpointing* - Brickwork and masonry-building materials are durable for several years if they are properly maintained. Periodic tuckpointing and joint repair between bricks is needed to prevent erosion of the masonry from water and other elements. These repairs are required on IndyGo's facility to ensure it remains in good condition; performing this project now will reduce future costs that would be associated with deterioration and deferred maintenance. IndyGo anticipates a required investment of \$50,000 in 2018. Additionally, structural repairs will be needed on the masonry structure and lintels in 2021; these costs are expected to total \$300,000.

*Concrete Driveway Replacement* - The existing driveway surrounding the IndyGo facility—where buses enter and exit the facility—is aging and in need of replacement. This replacement will provide for smoother operations and ensure the facility is ready to handle the additional traffic following the scaling up of the bus fleet. IndyGo has programmed \$360,000 for this project in 2019.

*Loading Dock and Employee Parking Area Renovations* - The loading dock and employee parking areas of IndyGo's primary facility is in need of preventative maintenance, repair, and renovation. These efforts will be phased in such a way that they are completed after several other projects to prevent deterioration associated with heavy construction traffic. This project is anticipated to cost \$1,100,000 in 2022.

*Parking lot sealing* - To keep the parking lot in good condition and prevent deterioration that would necessitate a more expensive replacement, asphalt parking lots periodically need to be sealed. IndyGo anticipates spending \$65,000 to seal its parking lot in 2018.

*Security Screen Doors* – In order to facilitate air movement through the facility, reducing climate control costs and providing for a more comfortable working environment, many large facilities open large doors; however, needing to be mindful of security concerns at our facility, doors cannot be left open throughout the day. To realize the benefits of being able to operate with open doors while containing security risks, IndyGo plans to install security screen doors on doors 1 through 9 in its facility. The capital plan programs \$417,000, in 2019, for the installation of these doors.

### **Maintenance Area Renovations**

Several renovations are planned for the maintenance area to accommodate additional vehicles, larger vehicles, and the increased number of mechanics that will be required to service the fleet. These efforts will be sequenced in such a way to minimize disruption to operations and to ensure that the facility is able to accommodate the BRT vehicles. These projects are anticipated to total \$2,696,400 with funding derived from grants, bonds, and future capital revenue.

*Conversion of Pit Bays to Parallelogram Lifts* - To provide quick and effective maintenance of vehicles, IndyGo will need to convert existing pit bays to parallelogram lifts. These would allow vehicles to be lifted into the air to adjustable heights for crews to work beneath them, rather than having maintenance crews have to enter into pits below parked vehicles. Currently, IndyGo's pit bays are not large enough to accommodate 60-foot vehicles, making this conversion an essential renovation for implementing the entirety of IndyGo's BRT network. This conversion will require \$750,000 in 2020.

*TransDev Fuel Tanks* – In 2018, IndyGo switched providers for its paratransit service to TransDev, a large provider of multiple modes of transit with operations throughout North America; this transition included the moving of the base of paratransit operations to a new facility. As part of IndyGo's agreement with TransDev, IndyGo provides fuel for their operations. With the transition to a different operational facility, IndyGo must install fuel tanks at the new location. These fuel tanks are programmed for 2018, with a total cost of \$150,000.

**Relocate Maintenance Supervisor Offices** - Under the current configuration of the garage, maintenance supervisors are housed within the "fishbowl", an elevated, relocatable office space that is currently set in the middle of the maintenance area. The current office has little space and will become increasingly crowded with additional maintenance staff and supervisors. This project will examine the feasibility of suspending the maintenance supervisor area above the maintenance area to allow for additional surface space within the maintenance area, and this project will be coordinated with other efforts to modify the maintenance area. IndyGo anticipates the requirement of \$116,400 for this project in 2018

**Relocate Maintenance Computer Lab, Offices, Restrooms, & Lockers** - In advance of implementing the Transit Plan, space for maintenance staff within the facility is already limited; it is likely to become more so as additional staff and vehicles are brought on board. In 2021, the plan calls for the relocation of the existing computer lab, offices, restrooms, and locker rooms to create more office space for the maintenance team. A new locker room facility for maintenance staff will be added as a part of this renovation. IndyGo anticipates committing \$1,080,000.

**Welding Bay** - To accommodate a larger number of 60' vehicles, the existing welding bay will need to be expanded. IndyGo has programmed \$600,000 towards the expanded welding bay in 2019.

### **Maintenance Bay: 60' Bus Accommodations**

The area planned for IndyGo's 60-foot vehicle maintenance is presently the engine rebuild area. IndyGo is able to maintain the 60-foot vehicles for the Red and Purple Lines in the short term within its existing maintenance area; however, it will require an expanded maintenance area for the 60-foot fleet as the number of these buses grows over time. IndyGo anticipates completing this project in 2019, with an anticipated cost of \$1,080,000 sourced from grants and cash revenue.

### **Wash Rack Replacement & Door Widening**

Washing and maintaining buses requires additional infrastructure beyond what would typically be used in commercial car washes. Most obviously, these wash racks must be able to accommodate much larger vehicles than standard car washes; further, the system needs to be designed in such a way to remove salt and grime that is accumulated through regular transit service. These services also need to be able to be performed without impacting the finish of the bus. IndyGo's existing wash rack is aging and will need an upgrade to effectively service an expanded fleet; as part of this upgrade, doors will be widened to enable ease of operations. The plan calls for a \$1,500,000 expenditure for this project, in 2018, with resources derived from grants and capital revenue.

### **Paint Booth**

To keep the fleet in good condition, IndyGo will need to add a down-draft paint booth. These paint booths help manage airflow and control of paint spray by forcing air through the paint area and minimizing errant spray. This system allows IndyGo's maintenance team to operate more efficiently and service more buses, a necessity with the increase in service. IndyGo anticipates spending \$1,100,000 in 2019 for this project, with resources derived from grants and capital revenue.

### **DTC Lounge and Office Area Renovations**

Having operated the Downtown Transit Center for a few years, and in order to accommodate the growth in IndyGo staff associated with the implementation of the Transit Plan, modifications and renovations to the interior of the DTC will be necessary. Most importantly, with the growth in the number of operators providing IndyGo service, the already crowded operator lounge will need to be expanded to accommodate more drivers. Additionally, the office spaces on the first and second floors will need to be adapted and modified for a different use. Specifically, IndyGo is considering retrofitting and furnishing the second-floor office space to house the IndyGo call center (which CIRTa will be vacating later this year); through the design work, an assessment would be conducted regarding the first-floor office space. In total, these renovations are expected to total \$750,000 in 2020; these funds will be derived from a combination of grants, bonds, and cash.

**Table 24. Facilities Sources and Uses**

	Facility Design	Office Area	DTC Level Boarding	Bus Charging	Multi-Purpose Facility	Building Exterior	Maint. Area	Maint. Bay	Wash Rack	Paint Booth	DTC Lounge & Offices	Total
IN90X683-11.44.03								\$754,643	\$1,078,893	\$127,811		\$1,961,347
Bus Charging LoNo Grant				\$1,450,000								\$1,450,000
FY2018 5339						\$425,600	\$565,880				\$125,940	\$1,117,420
IN-2016-024-11.44.03							\$405,322	\$109,357	\$121,107		\$405,322	\$1,041,107
FY2021 5339						\$869,094						\$869,094
IN90X668-11.44.03										\$752,189		\$752,189
FY2018 5307				\$555,872			\$68,738				\$68,738	\$693,348
IN90X683-11.41.03	\$240,000											\$240,000
IN90X668-11.41.03	\$38,972											\$38,972
Grant Sub Total	\$278,972	\$0	\$0	\$2,005,872	\$0	\$1,294,694	\$1,039,939	\$864,000	\$1,200,000	\$880,000	\$600,000	\$8,163,477
Cash	\$571,028	\$2,680,000	\$1,700,000	\$677,594		\$106,400	\$426,461	\$216,000	\$300,000	\$220,000		\$6,897,483
Bonds					\$4,082,000	\$890,906	\$1,230,000				\$150,000	\$6,352,906
<b>Total</b>	<b>\$850,000</b>	<b>\$2,680,000</b>	<b>\$1,700,000</b>	<b>\$2,683,466</b>	<b>\$4,082,000</b>	<b>\$2,292,000</b>	<b>\$2,696,400</b>	<b>\$1,080,000</b>	<b>\$1,500,000</b>	<b>\$1,100,000</b>	<b>\$750,000</b>	<b>\$21,413,866</b>



## INFORMATION TECHNOLOGY & FINANCE

### Enterprise Resource Planning (ERP)

ERP is a business process by which core managerial functions of an organization or business are integrated into one complete system. These systems enable the streamlining of information across an agency and may include functions such as accounting, budgeting, human resources, order management, management of capital projects, and other functions. ERP serves as a platform to make complex projects easier to coordinate across departments and divisions.

In June 2016, the IPTC board approved engaging Crowe Horwath to develop and implement a new ERP system for IndyGo. IndyGo previously used Ellipse, a MinCom product, as its ERP platform, supporting core financial management activities, procurement, grants management, and asset management functions. That platform was more than ten years old when it was brought to the board for replacement. Adoption and integration of the new system is underway and will continue through the remainder of 2018.

For the remainder of the project, IndyGo anticipates expending a total of \$593,000 with the funding sourced from grants and capital revenue.

### Fare Collection & Validation System

In 2017, IndyGo underwent an internal fare study to inform IndyGo's future fare systems, fare policies, fare structures, and fare collection technologies. The comprehensive solution must be able to seamlessly operate across IndyGo services—BRT, local fixed route, and paratransit—and be convenient and accessible to users.

Through a competitive procurement process, IndyGo sought a vendor that could provide several ways in which riders can pay fares, including but not limited to paying through a smart device (such as a smart card) linked to an account, a mobile ticket, other forms of proof of payment, and cash. This system will also need to support fare validation and fare enforcement activities on IndyGo's bus rapid transit system. In June 2018, Parkeon was selected as the vendor to provide these services.

This effort will be implemented in 2018 and 2019. In total, IndyGo expects to invest a total of \$4,268,678 in this project, \$3,373,937 of which are capital costs. However, more than 84 percent of these costs are embedded in other project budgets. Outside of those project budgets, \$600,000 will be allocated to this effort from capital revenue.

### Wireless Vehicle Communication

IndyGo requires enhanced mobile data communication capabilities, bandwidth, and speed to meet data transmission requirements for its transportation platforms. Currently, IndyGo is using the city's public data radio network which is nearing the end of its useful life in terms of its functionality for IndyGo's purposes. This functionality is especially critical in supporting real-time data functionality for IndyGo dispatch, telematics, passenger information, and safety and security functions across platforms.

These systems need periodic upgrading to keep up with technological advances; beyond that, upgrading these systems will prove for enhance data collection capabilities, more accurate location and schedule data, and tracking performance metrics. These upgrades may also be a prerequisite for other systems IndyGo is pursuing and may also be used to provide wireless access for IndyGo passengers. The upgrades are a recurring expense and are expected to require \$1,095,222 in 2018 and 2019, with funds being derived from grants and capital revenue.

### ITS Upgrade (CAD/AVL)

IndyGo is committed to identifying and deploying the most current technological tools that enable it to manage its operations and serve its customers. One tool advancing this commitment—and allowing for the collection, analysis, and dissemination of reliable data of its existing fleet of transit vehicles—is a Computer Aided Dispatch/Automatic Vehicle Location (CAD/AVL) system.

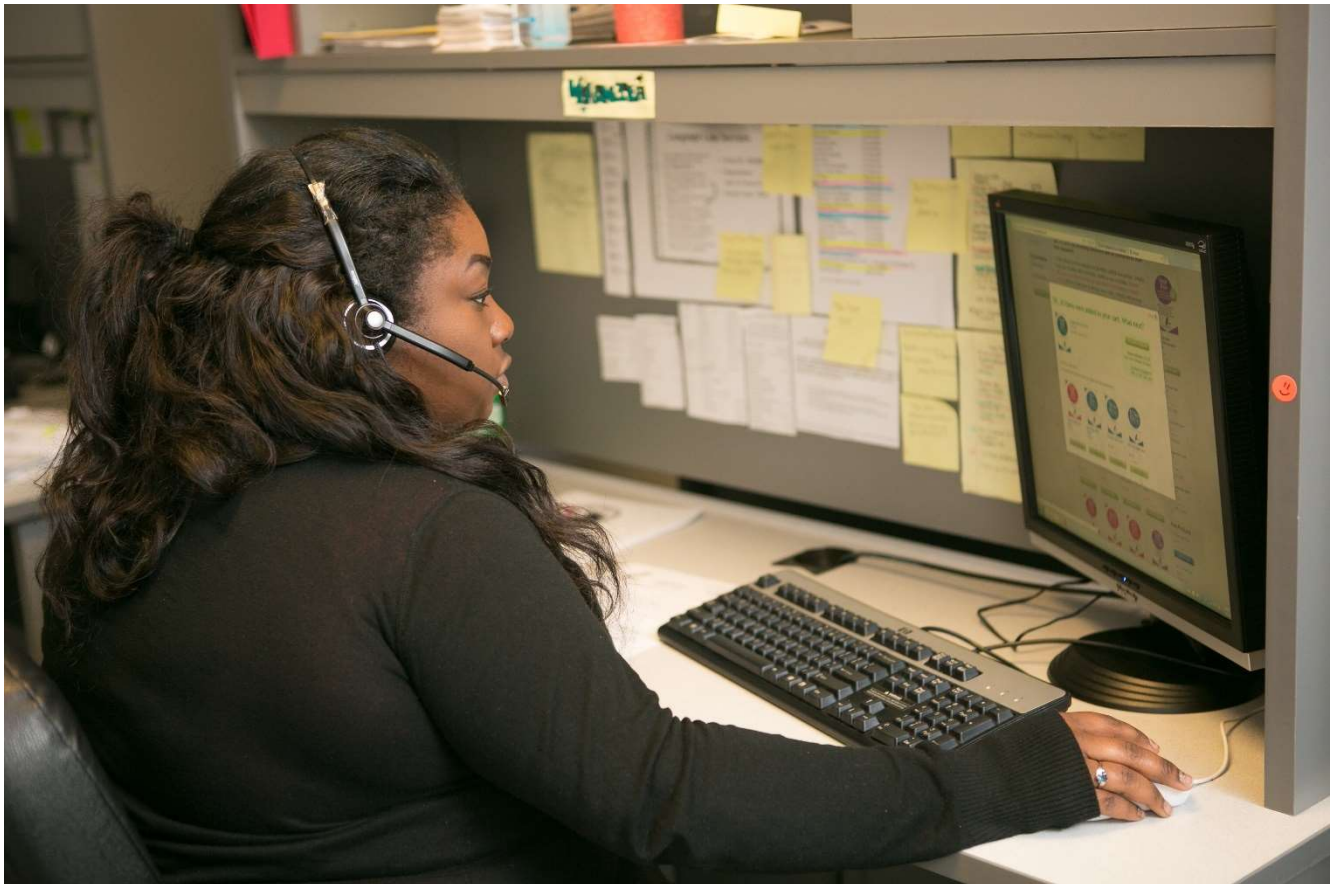


IndyGo selected Avail Inc., to replace IndyGo’s previous CAD/AVL system with state-of-the-art Intelligent Transportation System (ITS) solutions that provide enhanced functionality for data collection, real-time information, web and mobile application capabilities, and the potential for integration with other services. These systems are being deployed across IndyGo service platforms—BRT, local fixed route, and paratransit services—and support vehicles.

This ITS upgrade will occur in 2018 and 2019. The capital plan allocates a total of \$4,690,000 for this upgrade, sourced from grants and capital revenue.

**Table 25. IT & Finance Sources and Uses**

	ERP	Fare Collection	Wireless Vehicle Communication	ITS (CAD/AVL) Replacement	Total
IN-2016-016-11.71.03	\$474,400		\$243,210	\$582,390	\$1,300,000
IN-2016-016-11.42.08			\$164,283	\$1,005,317	\$1,169,600
IN95X046-11.71.03				\$909,011	\$909,011
IN-2016-016-11.42.07			\$413,798	\$268,259	\$682,057
IN95X046-11.42.07			\$54,886	\$401,321	\$456,207
IN90X605-11.42.07				\$300,827	\$300,827
Grants Subtotal	\$474,400	\$0	\$876,178	\$3,467,125	\$4,817,702
Capital Revenue/Cash	\$118,600	\$600,000	\$219,044	\$1,222,875	\$2,160,520
Total	\$593,000	\$600,000	\$1,095,222	\$4,690,000	\$6,978,222



## SAFETY, SECURITY, & TRAINING

Safety and security measures are incorporated within projects listed throughout this capital plan; each activity adheres to and advances IndyGo's safety and security policies. In planning, designing, and constructing any capital project, IndyGo staff and consultants work with IndyGo's Safety, Security, and Training department to ensure activities conform to IndyGo's safety and security protocols.

To that end, most safety and security capital expenditures over the course of this plan will be embedded within the various other projects and project budgets outlined throughout this document. In addition to project-specific measures, IndyGo will also need to secure additional safety, security and training equipment.

### Main Facility CCTV

IndyGo maintains closed-circuit television capabilities to ensure the safety and security of its facilities, employees, and visitors. As with any tech-based infrastructure, these systems need to be replaced from time to time as the systems meet the end of their useful life and/or technology or safety and security procedures evolve beyond the ability of the existing system. To that end, IndyGo maintains its safety and security equipment—including the main facility CCTV system—within its useful life and will need to update and upgrade its CCTV system in 2019. In total, IndyGo anticipates an expenditure of \$1,500,000 to be sourced from grants and capital revenue.

### Training Simulators

Research suggests the use of a bus training simulator, in conjunction with both classroom and on-the-road training, improves transit driver safety. Simulators continue to build upon basic driving skills while helping to develop effective forward planning and good judgement under pressure. Studies from different Bus Operator Training Simulators has shown that accidents could be lowered by 35 to 60 percent. It has also been shown to be able to improve on fuel economy and the overall efficiency of transit operations.

Simulators can also allow operators to practice driving in different types of weather, traffic and emergency situations without put the operator or equipment in harm's way. They can used to recreate accidents that have happened and let the operator see what could have been done differently to avoid the collision or passenger accident, enabling this training to occur with no risk to company property, workers, or the community. IndyGo has budgeted a total of \$700,000 from cash revenue, split between 2019 and 2021, to purchase these simulators.

### Vehicle CCTV

IndyGo maintains closed-circuit television capabilities on its fixed route buses and will include these components on future buses as well. These systems include cameras, DVRs, wireless download capabilities, GPS kits, wireless radios, cables, mounting equipment, a server, and needed software. Specific equipment and apparatuses may vary based upon the needs of IndyGo and the evolution of technology between today and when the equipment is replaced. IndyGo anticipates programming \$1,700,973 beginning in 2020 with annual investments thereafter, to be sourced from grants and future capital revenue, to meet this need.

**Table 26. Safety, Security, and Training Sources and Uses**

	Main Facility CCTV	Training Simulators	Vehicle CCTV	Total
5307 Security Set Asides	\$149,887		\$715,506	\$865,392
FY2020 5339			\$645,273	\$645,273
IN95X046-11.42.09	\$580,143			\$580,143
IN-2017-018-11.32.07	\$142,541			\$142,541
IN-2016-024-11.32.07	\$140,000			\$140,000
FY2018 5307	\$107,430			\$107,430
Grant Subtotal	\$1,120,000	\$0	\$1,360,779	\$2,480,779
Cash	\$380,000	\$700,000	\$340,195	\$1,420,195
Total	\$1,500,000	\$700,000	\$1,700,973	\$3,900,973



# ANNUAL ITEMIZED EXPENDITURE TABLES

The following tables show detailed, quarterly planned expenditures for each project listed throughout the capital plan, as well as annual summaries by program area. While these tables do not include source of funds, they may be cross-referenced with the narrative and tables in the previous section to match these expenditures with individual sources of funds.

These tables will be updated with every major revision to this capital plan. Tables showing past quarters and years will reflect actual expenditures while those tables showing future quarters and years will remain projections.

**Table 27. 2018 Detailed Expenditures**

Total: \$58,625,489					
Project	Q1	Q2	Q3	Q4	Total
<b>Bus Rolling Stock</b>					<b>\$9,737,470</b>
Paratransit Bus Replacement			\$1,309,970	\$0	\$1,309,970
Fixed Route Bus Replacement			\$8,000,000	\$0	\$8,000,000
Maintenance Heavy Equipment			\$390,000	\$0	\$390,000
Headsign Midlife Equipment			\$18,750	\$18,750	\$37,500
<b>BRT and On-Street Infrastructure</b>					<b>\$37,503,942</b>
BRT: Red Line Rapid Transit (Phase I)			\$13,169,819	\$13,169,819	\$26,339,639
BRT: Purple Line Rapid Transit			\$2,353,360	\$2,353,360	\$4,706,721
BRT: Blue Line Rapid Transit			\$1,692,059	\$1,692,059	\$3,384,118
Two Way Conversions (Michigan St.)			\$15,000	\$0	\$15,000
Two Way Conversions (30th St.)			\$10,000	\$0	\$10,000
Two Way Conversions (Central Ave.)			\$2,148,465	\$0	\$2,148,465
Rural Street Underpass			\$50,000	\$0	\$50,000
Downtown Local Route Super Stops			\$225,000	\$225,000	\$450,000
Transit Stop Amenities (MCTP)			\$400,000	\$0	\$400,000
<b>Facilities</b>					<b>\$7,298,466</b>
Facility Design Task Orders			\$175,000	\$175,000	\$350,000
Office Area Renovations (including furniture)			\$1,250,000	\$1,250,000	\$2,500,000
Bus Charging Infrastructure in Garage			\$1,429,796	\$1,253,670	\$2,683,466
Building Exterior Improvements			\$115,000	\$0	\$115,000
Maintenance Area Renovations			\$150,000	\$0	\$150,000
Wash Rack Replacement / Door Widening			\$0	\$1,500,000	\$1,500,000
<b>IT &amp; Finance</b>					<b>\$4,085,611</b>
ERP			\$310,000	\$283,000	\$593,000
Fare Collection/Validation System			\$300,000	\$300,000	\$600,000
Wireless Vehicle Communication (Install)			\$273,806	\$273,806	\$547,611
ITS Upgrade/Replacement (CAD AVL)			\$1,172,500	\$1,172,500	\$2,345,000
<b>Safety, Security, and Training</b>					<b>\$0</b>

**Table 28. 2019 Detailed Expenditures**

Total: \$139,221,186					
Project	Q1	Q2	Q3	Q4	Total
<b>Bus Rolling Stock</b>	<b>\$3,490,118</b>				
Paratransit Bus Replacement	\$0	\$1,364,267	\$0	\$0	\$1,364,267
Fixed Route Bus Replacement	\$0	\$0	\$819,851	\$0	\$819,851
Support Vehicle Replacement	\$0	\$306,000	\$0	\$0	\$306,000
Maintenance Heavy Equipment	\$0	\$925,000	\$0	\$0	\$925,000
Headsign Midlife Equipment	\$18,750	\$18,750	\$18,750	\$18,750	\$75,000
<b>BRT and On-Street Infrastructure</b>	<b>\$123,093,058</b>				
BRT: Red Line Rapid Transit (Phase I)	\$13,169,819	\$13,169,819	\$30,160,529	\$0	\$56,500,167
BRT: Purple Line Rapid Transit	\$2,353,360	\$2,353,360	\$1,024,592	\$34,945,731	\$40,677,044
BRT: Blue Line Rapid Transit	\$1,692,059	\$3,666,128	\$3,666,128	\$3,666,128	\$12,690,444
Two Way Conversions (Michigan St.)	\$0	\$4,223,680	\$0	\$0	\$4,223,680
Rural Street Underpass	\$0	\$450,000	\$0	\$0	\$450,000
Downtown Local Route Super Stops	\$1,050,000	\$1,050,000	\$1,650,000	\$0	\$3,750,000
Transit Stop Amenities (ongoing)	\$0	\$0	\$0	\$13,643	\$13,643
Transit Stop Amenities (MCTP)	\$1,596,027	\$1,596,027	\$1,596,027	\$0	\$4,788,080
<b>Facilities</b>	<b>\$7,895,400</b>				
Facility Design Task Orders	\$175,000	\$175,000	\$150,000	\$0	\$500,000
Multi-Purpose Facility Construction	\$2,041,000	\$2,041,000	\$0	\$0	\$4,082,000
Building Exterior Improvements	\$0	\$417,000	\$0	\$0	\$417,000
Maintenance Area Renovations	\$0	\$100,000	\$269,400	\$347,000	\$716,400
Maintenance Bay Alterations	\$0	\$1,080,000	\$0	\$0	\$1,080,000
Paint Booth	\$1,100,000	\$0	\$0	\$0	\$1,100,000
<b>IT &amp; Finance</b>	<b>\$2,892,611</b>				
Wireless Vehicle Communication	\$273,806	\$273,806	\$0	\$0	\$547,611
ITS Upgrade (CAD AVL)	\$1,172,500	\$1,172,500	\$0	\$0	\$2,345,000
<b>Safety, Security, and Training</b>	<b>\$1,850,000</b>				
Main Facility CCTV Upgrade	\$1,500,000	\$0	\$0	\$0	\$1,500,000
Training Simulators	\$350,000	\$0	\$0	\$0	\$350,000

**Table 29. 2020 Detailed Expenditures**

Total: \$92,927,025					
Project	Q1	Q2	Q3	Q4	Total
<b>Bus Rolling Stock</b>					
Paratransit Bus Replacement	\$0	\$1,388,267	\$0	\$0	\$1,388,267
Fixed Route Bus Replacement	\$0	\$0	\$2,843,397	\$0	\$2,843,397
Support Vehicle Replacement	\$0	\$315,000	\$0	\$0	\$315,000
Maintenance Heavy Equipment	\$0	\$1,055,000	\$0	\$0	\$1,055,000
Headsign Midlife Equipment	\$18,750	\$18,750	\$18,750	\$18,750	\$75,000
<b>BRT and On-Street Infrastructure</b>					
BRT: Purple Line Rapid Transit	\$12,767,913	\$12,767,913	\$12,767,913	\$12,767,913	\$51,071,652
BRT: Blue Line Rapid Transit	\$3,666,128	\$3,666,128	\$1,692,059	\$17,097,105	\$26,121,421
BRT: Red Line Phases 2a/3a	\$0	\$536,410	\$536,410	\$536,410	\$1,609,229
Two Way Conversions (30 <sup>th</sup> St.)	\$0	\$2,151,889	\$0	\$0	\$2,151,889
Transit Signal Priority Installation	\$338,320	\$1,353,280	\$0	\$0	\$1,691,600
Transit Stop Amenities (ongoing)	\$13,643	\$13,643	\$13,643	\$13,643	\$54,571
<b>Facilities</b>					
Maintenance Area Renovations	\$125,000	\$625,000	\$0	\$0	\$750,000
DTC Renovations	\$125,000	\$625,000	\$0	\$0	\$750,000
DTC Level Boarding Modifications	\$1,700,000	\$0	\$0	\$0	\$1,700,000
<b>IT &amp; Finance</b>					
<b>Safety, Security, and Training</b>					
Training Simulators	\$350,000	\$0	\$0	\$0	\$350,000
Vehicle CCTV Replacement	\$1,000,000	\$0	\$0	\$0	\$1,000,000

**Table 30. 2021 Detailed Expenditures**

Total: \$118,466,765					
Project	Q1	Q2	Q3	Q4	Total
<b>Bus Rolling Stock</b>					
Paratransit Bus Replacement	\$0	\$1,412,267	\$0	\$0	\$1,412,267
Fixed Route Bus Replacement	\$0	\$0	\$2,843,397	\$0	\$2,843,397
Maintenance Heavy Equipment	\$0	\$0	\$1,020,000	\$0	\$1,020,000
Headsign Midlife Equipment	\$18,750	\$18,750	\$18,750	\$18,750	\$75,000
<b>BRT and On-Street Infrastructure</b>					
BRT: Purple Line Rapid Transit	\$12,767,913	\$12,767,913	\$14,851,048	\$0	\$40,386,874
BRT: Blue Line Rapid Transit	\$17,097,105	\$17,097,105	\$17,097,105	\$17,097,105	\$68,388,421
BRT: Red Line Phases 2a/3a	\$536,410	\$536,410	\$536,410	\$536,410	\$2,145,639
Transit Stop Amenities (ongoing)	\$14,052	\$14,052	\$14,052	\$14,052	\$56,208
<b>Facilities</b>					
Office Area Renovations/Furnishings	\$0	\$0	\$30,000	\$150,000	\$180,000
Building Exterior Improvements	\$60,000	\$350,000	\$250,000	\$0	\$660,000
Maintenance Area Renovations	\$0	\$180,000	\$900,000	\$0	\$1,080,000
<b>IT &amp; Finance</b>					
<b>Safety, Security, and Training</b>					
Vehicle CCTV Replacement	\$218,959	\$0	\$0	\$0	\$218,959

**Table 31. 2022 Detailed Expenditures**

Total: \$118,608,874					
Project	Q1	Q2	Q3	Q4	Total
<b>Bus Rolling Stock</b>					
Paratransit Bus Replacement	\$0	\$1,444,267	\$0	\$0	\$1,444,267
Fixed Route Bus Replacement	\$0	\$0	\$2,843,397	\$0	\$2,843,397
Maintenance Heavy Equipment	\$0	\$1,020,000	\$0	\$0	\$1,020,000
Headsign Midlife Equipment	\$18,750	\$18,750	\$18,750	\$18,750	\$75,000
<b>BRT and On-Street Infrastructure</b>					
BRT: Blue Line Rapid Transit	\$17,097,105	\$43,036,065	\$19,889,488	\$8,801,202	\$88,823,860
BRT: Red Line Phases 2a/3a	\$536,410	\$5,334,744	\$5,334,744	\$11,809,497	\$23,015,395
Transit Stop Amenities (ongoing)	\$14,474	\$14,474	\$14,474	\$14,474	\$57,894
<b>Facilities</b>					
Building Exterior Improvements	\$0	\$0	\$200,000	\$900,000	\$1,100,000
<b>IT &amp; Finance</b>					
<b>Safety, Security, and Training</b>					
Vehicle CCTV Replacement	\$229,061	\$0	\$0	\$0	\$229,061

**Table 32. 2023 Detailed Expenditures**

Total: \$16,677,999					
Project	Q1	Q2	Q3	Q4	Total
<b>Bus Rolling Stock</b>					
Paratransit Bus Replacement	\$0	\$1,444,267	\$0	\$0	\$1,444,267
Fixed Route Bus Replacement	\$0	\$0	\$2,843,397	\$0	\$2,843,397
Support Vehicle Replacement	\$0	\$315,000	\$0	\$0	\$315,000
Maintenance Heavy Equipment	\$0	\$1,020,000	\$0	\$0	\$1,020,000
Headsign Midlife Equipment	\$18,750	\$18,750	\$18,750	\$18,750	\$75,000
<b>BRT and On-Street Infrastructure</b>					
BRT: Red Line Phases 2a/3a	\$5,334,744	\$5,334,744	\$0	\$0	\$10,669,488
Transit Stop Amenities (ongoing)	\$14,474	\$14,474	\$14,474	\$14,474	\$57,894
<b>Facilities</b>					
<b>IT &amp; Finance</b>					
<b>Safety, Security, and Training</b>					
Vehicle CCTV Replacement	\$252,953	\$0	\$0	\$0	\$252,953

## 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.

**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.

**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 fund 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.

**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.

**DMD** - Department of Metropolitan Development

**DPW** - Department of Public Works

**DTC** - Downtown Transit Center

**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. Nkpa: 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 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.

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

**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.

**MPO** - Metropolitan Planning Organization

**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.

**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.

**Referendum** – 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.