



*IndyGo*SM

2022 MANAGEMENT & FINANCIAL PLAN

FISCAL YEAR JANUARY 1, 2022 - DECEMBER 31, 2022

INTRODUCED TO INDYGO BOARD: JULY 26, 2021

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION

INDIANAPOLIS PUBLIC TRANSPORTATION CORPORATION

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Indianapolis Public Transportation Corporation
Indiana**

For the Fiscal Year Beginning

January 01, 2021

Christopher P. Morill

Executive Director

TRANSMITTAL LETTER

A BUDGETARY MESSAGE FROM PRESIDENT INEZ EVANS



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

July 26, 2021

To: IPTC Chair and Board of Directors

From: Inez Evans, President and CEO

Subject: IPTC 2022 Financial and Management Plan

I am pleased to submit for your information and consideration a balanced FY2022 proposed Financial and Management Plan of the Indianapolis Public Transportation Corporation (d/b/a IndyGo). It is also intended as a summary and overview of the information provided in greater detail within the Budget Document.

With the vision of a reimagined Marion County Transit Plan and the expansion of the our Bus Rapid Transit lines and the reality of a global pandemic, IndyGo spent 2020 maintaining our service and finding ways to innovate our business to adapt to the ever changing climate of the public transportation system.



Accomplishments

IndyGo, along with the rest of the world, has been dealing with the impacts of the global pandemic. IndyGo faced a statewide stay-at-home order that caused a significant decrease in ridership and several obstacles our operations team had to overcome to maintain service. IndyGo maintained service and jobs throughout the pandemic while providing essential service to support all of our riders to and from medical appointments, grocery stores and other vital trips. Even with the challenges of the pandemic, IndyGo has some major milestones.

In the summer of 2020, our board and the Indianapolis City-County Council approved the purchase of 27 hybrid buses, with an estimated \$20 million in cost savings from an entirely electric fleet and included a partnership with Allison Transmission. IndyGo continues to be committed to having a

clean fleet and making sure we are fiscally responsible as we improve our fleet. IndyGo also moved forward with purchasing several facilities to address critical needs including accommodating our growing electric and hybrid fleet of buses, adding an onsite operator training space , creating a separate paratransit operations facility and engaging best practices for office spacing and social distancing in this new post-pandemic era. The purchase of the East Campus facility creates an opportunity for IndyGo to be an anchor institution on the east side of Indianapolis, allowing IndyGo to train our employees at the same location.

In August of 2020, IndyGo and Briometrix were able to recruit volunteers to map the accessibility of the existing pathways near future Purple Line stations as part of their mobility pilot funding awarded to them in 2019. August also brought bus stop balancing improvements that would help increase efficiencies system-wide.

In September of 2020, IndyGo received a grant for \$400,000 from the Federal Transit Administration's Accelerating Innovative Mobility (AIM) initiative. This grant will allow IndyGo to work on a project that focuses on multi-channel payment and trip-planning platforms for multiple modes and providers.

In December of 2020, IndyGo launched an education campaign for our new fare system, MyKey. The launch of MyKey had a few delays, but we have been able to work with the vendor to fix those issues and launch the mobile app and the ticket vending machines for our riders. This fare system will give riders access to reloadable tap cards, fare capping, touchless payments, and so much more.

In April of 2021 IndyGo partnered with the Marion County Health Department to administer vaccines to the public at their future headquarters on the eastside. This site has been able to serve as a great asset to the community in this area, that did not previously have consistent access to vaccines. IndyGo will continue to be committed to serve the community beyond the bus.

Macroeconomic Factors and Financial Health

Marion County and the Indianapolis metropolitan area have seen significant economic growth in the decade since the previous recession. However, in 2020, pandemic-related factors led to an increase in Marion Counties' unemployment rate, from 2.9% to 6.6%. The labor force decreased to 1,067,062 from 1,077,826 in 2019. Population estimates for 2019 rank Marion County 1st in Indiana, with 964,582 residents. A relatively low cost of living combined with an average home price of \$184,014 makes Indianapolis and Marion County an attractive place option for both personal and corporate investment.

Nationally, the unemployment rate also increased over the year, up to 6.7% at the end of 2020. The federal fuel tax rate remained unchanged at 18.4 cents per gallon of gasoline. Uncertainty

relating to the nation's pandemic recovery continues to have political and policy implications, the effects of which have the potential to be felt on the local level. From 2020 into 2021 the federal government continued to allocate formula-based funding to transit and offer opportunities to apply for competitive grants, which can be used for innovative projects that deliver exceptional transportation benefits.

Beginning in January of 2021, IndyGo was the focus of Indiana State legislation that would have crippled IndyGo's ability to offer discounted rider programs and move forward with capital projects such as the Purple and Blue Rapid Transit Bus Lines. However, with much effort by our grassroots supporters and bi-partisan lawmakers, the legislation was defeated and improved transit for the city moves forward.

At a national level, Congress passed support packages to ease the economic impacts of COVID-19, including the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The CARES Act provides funding at a 100% federal share, with no local match required, and is available to support operating, capital, and other expenses incurred by transit agencies beginning on January 20, 2020, to prevent, prepare for, and respond to the COVID-19 pandemic. IndyGo received \$44.6 million to help fund the cost of increased personal protective equipment, capital projects for employee protection, and operational support.

On December 27, 2020, the President authorized additional coronavirus relief funding (CRRSAA) as part of the Consolidated Appropriations Act, 2021. The American Rescue Plan Act of 2021 (ARP), which the President signed on March 11, 2021, includes additional federal funding to support the nation's public transportation systems as they continue to respond to the COVID-19 pandemic and support the President's call to vaccinate the U.S. population. Thanks to federal support through these relief packages, IndyGo will deliver safe and reliable services to the citizens of this community.

Thanks to the Federal Stimulus funds we will not have to suffer significant budget cuts in 2022. However, IndyGo will continue to evaluate the service and expenditure levels and make necessary changes that can help IndyGo secure fiscal sustainability for the years to come.

The first bond issue (Series 2018A) for the Marion County Transit Plan in the amount of \$26 million was issued in November 2018. This round of bonds finances Purple Line Rapid Transit Design Services, Blue Line Rapid Transit Design Services, Local Bus and Paratransit Infrastructure, and Bus Fleet Replacement. The funding for this bond issue comes from the 0.25% Local Income Tax. During the bonding process, IndyGo received a standalone AA- rating from S&P Global credit rating agency. IndyGo issued another series of bonds (Series 2021D) for the purchase of 27 hybrid buses. This bond issuance will provide improved cash flow management over the next 20 years.

Revenue outlook and Expenditure Budgets

Revenues for FY2022 have been budgeted conservatively to take into the account the impact of the pandemic for the upcoming budget year. While the impact is not fully known yet, IndyGo is diligently strategizing the utilization of the stimulus funding. The federal stimulus funds will help offset some of the sharp declines in the revenue for the future years. However, IndyGo is working towards long-term strategies that will alleviate the gaps between the revenues and expenses in the future years through modifications in service levels and limiting discretionary spending as needed. In addition, efforts to secure additional capital funding from federal, state, and local sources continue.

Operating Budget

IndyGo's FY2022's Operating Expenditure budget is balanced with its revenues at \$123.3 million, which is about 5% greater than the previous budget year. This increase is supportive of the wage adjustments, increased healthcare costs, fuel costs, as well as negotiated increase in some service contracts and operation and maintenance of the additional facilities that IndyGo has secured in FY2021.

Capital Budget

During this pandemic, IndyGo has moved forward on many capital projects. The proposed FY2022 Capital Budget of \$111.7 million and five-year Capital Improvement Program (CIP) of \$518.4 million include investments in Bus Rapid Transit and On-street Infrastructure, facilities, fleet, and information technology projects. The spending for FY2022 anticipates 41% grants resources, 32% capital funds, and 27% bond proceeds. IndyGo is expecting an execution of the Small Starts Grants Agreement from the FTA for the Purple Line Bus Rapid Transit Line project in the fall of 2021.

Debt Service Budget

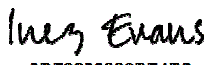
FY2022's Debt Service Budget includes annual appropriations of \$11.1 Million towards Series 2018A and Series 2021D and one other future bond issuance. These bonds are secured through the Transit Local Income Tax (LIT). These bond issuances cover various infrastructure projects & Bus purchases.

Acknowledgments

While the uncertainty created by the pandemic remains, we are confident in public transportation's essential role in driving the region's economic recovery. Our main challenge today is to preserve the system's network infrastructure and sustain essential transit services as the region heads towards recovery. We thank our riders, employees, and stakeholders for their continued support and collaboration as we manage through these unprecedented times.

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

Respectfully Submitted,

DocuSigned by:

9DF928988BE4D2...

Inez Evans,

PRESIDENT & CEO

IndyGo

ORGANIZATION AND GOVERNANCE

BOARD OF DIRECTORS



Greg Hahn, Chair

Appointed by the
Council in October 2012



**Adairius J.
Gardner, Vice
Chair**

Appointed by the Mayor
in August 2018



**Mark Fisher,
Secretary**

Appointed by the Mayor
in August 2014



**Richard Harry
Wilson, Jr.,
Treasurer**

Appointed by the
Council in October 2018



Lise Pace

Appointed by the
Council in February
2020



Pat Rios

Appointed by the Mayor
in February 2021



Lacy Johnson

Appointed by the
Council in March 2021

EXECUTIVE TEAM



Inez Evans

President & CEO



Aaron Vogel

Vice President of
Operations/Chief
Operating Officer



Marcus Burnside

Vice President of
Technology/Chief
Information Officer



**Denise Jenkins-
Agurs**

Vice President of
Inclusion and
Workforce
Development



Bart Brown

Vice President of
Finance and Chief
Financial Officer



Jill Russell

General Counsel



Jennifer Pyrz

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



Jeffrey Brown

Vice President of
Human Resources



Cameron Radford

Vice President of
Government Affairs



Lesley Gordon

Vice President of
Communications and
Marketing

BUDGET MANAGEMENT TEAM

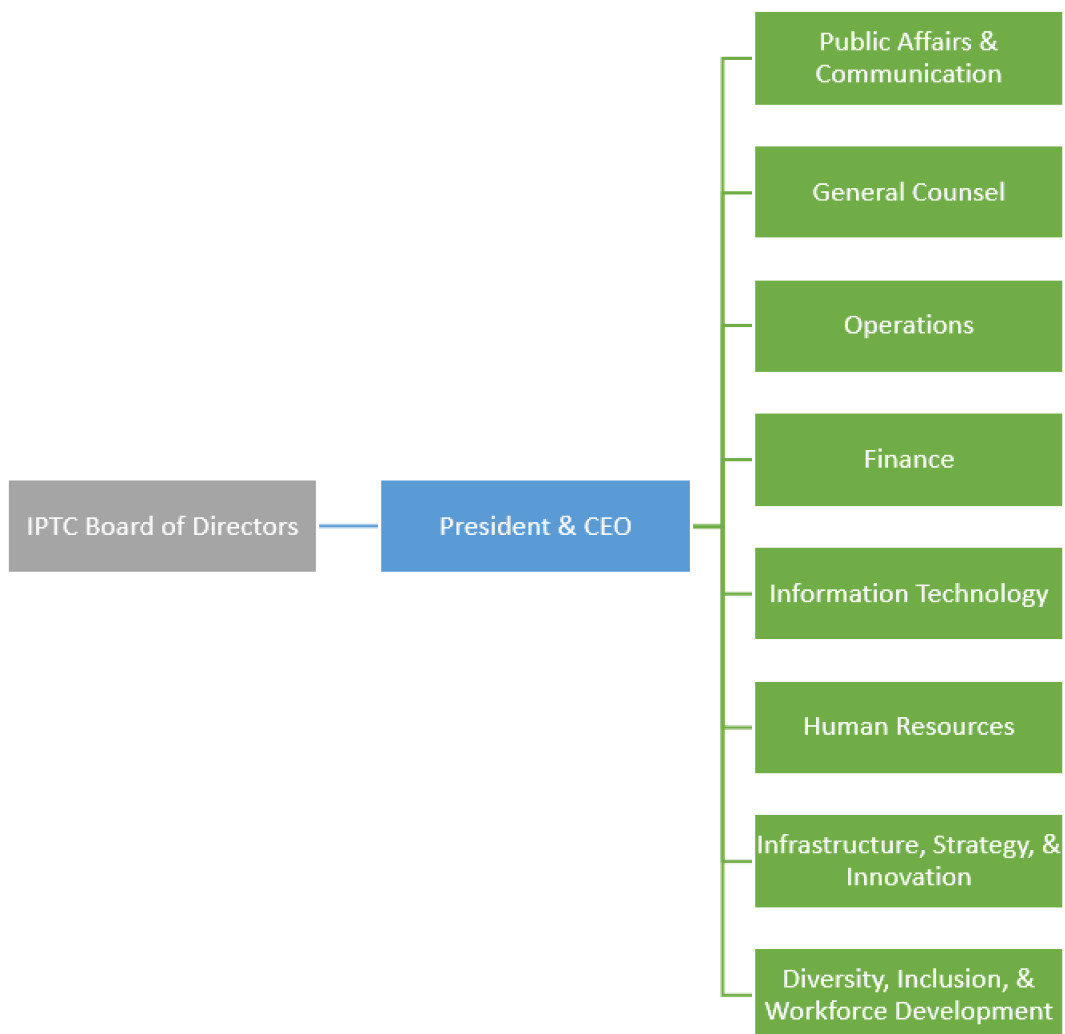
Hardi Shah, Deputy Chief Financial Officer

Justin Burcope, Budget Manager

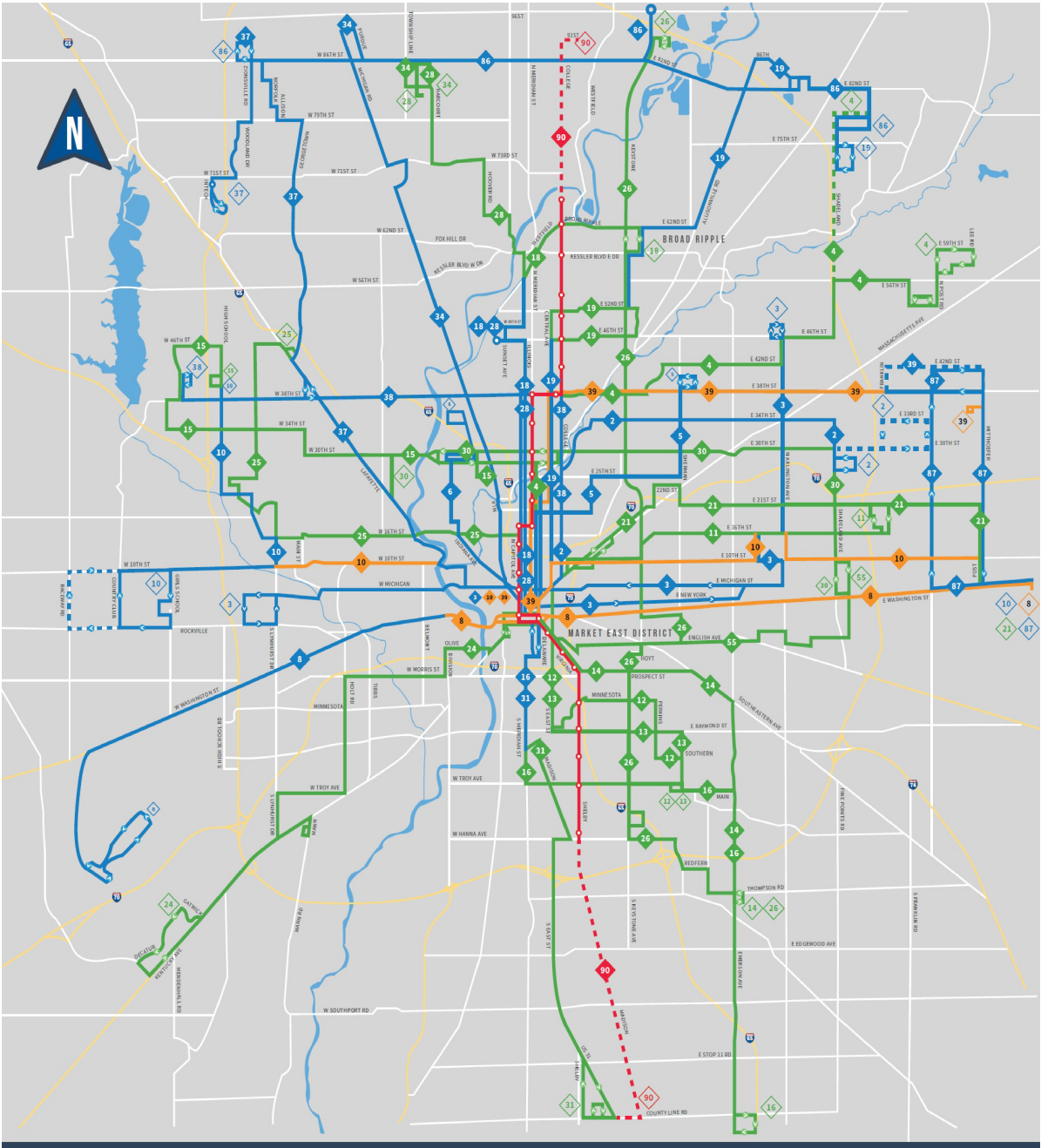
Cassandra Burmeister, Grants Manager

Alexander Wang, Data & Projects Administrator

ORGANIZATIONAL CHART



SYSTEM MAP



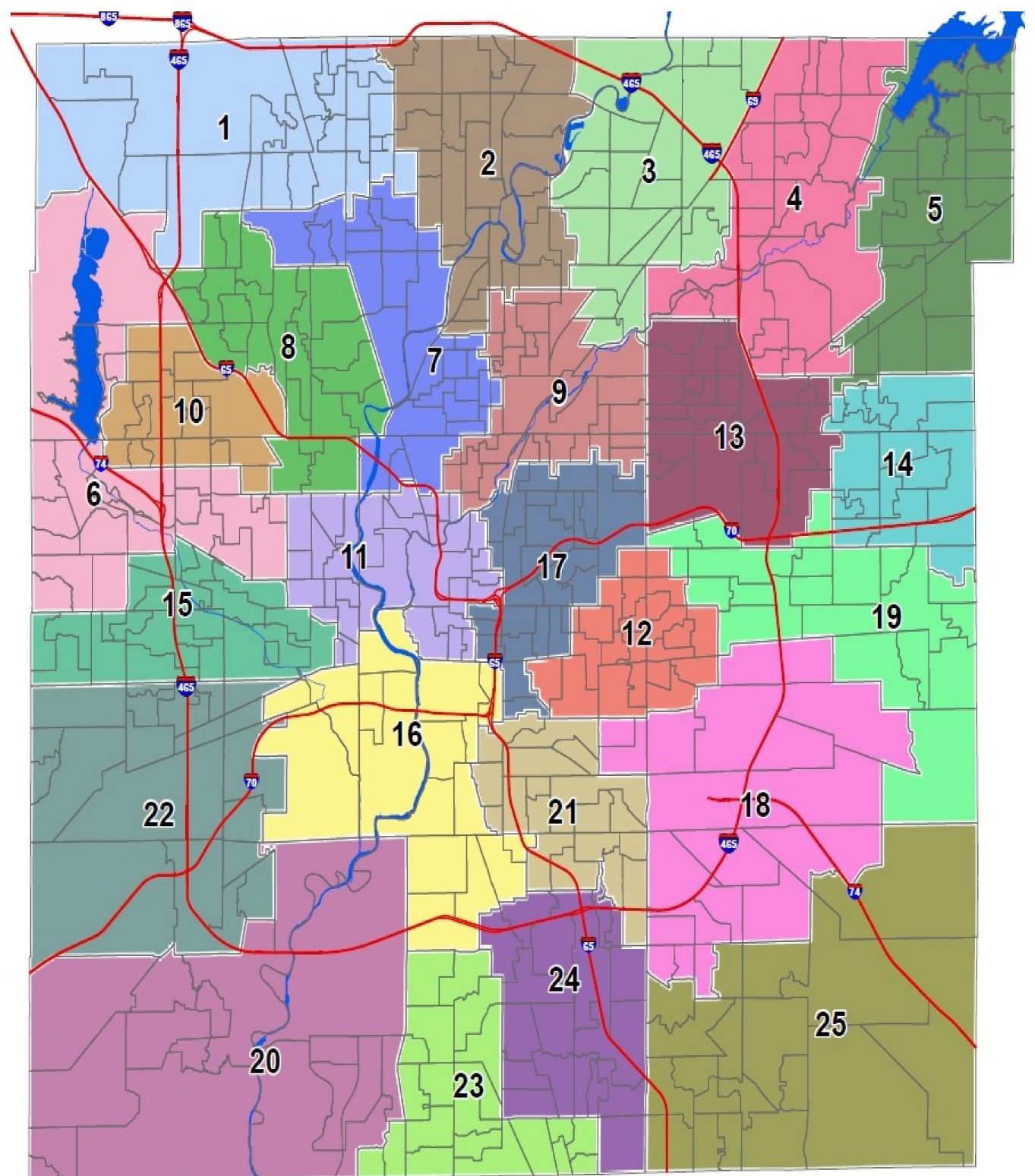
LEGEND

- RED LINE
- 15 MINUTE FREQUENCY
- 30 MINUTE FREQUENCY
- 60 MINUTE FREQUENCY
- RED LINE STATION

24 ROUTE NUMBER



INDIANAPOLIS-MARION COUNTY CITY-COUNTY COUNCIL DISTRICT MAP



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

Calendar Year	Population (1)	Per Capita Personal Income (2)	Median Age (3)	Student Enrollment (4)	Unemployment Rate (5)
2011	911,195	\$ 44,654	33.0	143,053	9.5 %
2012	919,453	46,011	33.7	146,175	9.4
2013	929,722	45,197	33.9	149,697	7.0
2014	935,745	46,290	34.1	130,007	5.8
2015	940,235	48,238	34.3	130,371	4.6
2016	944,034	49,357	34.4	131,754	3.9
2017	950,082	50,211	34.5	132,596	3.1
2018	954,670	52,815	34.5	132,838	3.4
2019	964,582	54,405	34.2	131,292	2.9
2020	964,582 (7)	54,405 (6)	34.2 (7)	131,830	5.7

(1) Source: U.S. Census Bureau

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

(3) Data presented by Stats Indiana.

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

(5) Data presented is for Unemployment rate, nonseasonally adjusted, annual average, Marion County, IN. Source: Bureau of Labor Statistic as of December 2020.

(6) This information will be released by the Bureau of Economic Analysis in August 2021; therefore, prior year numbers were utilized.

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

Indianapolis Public Transportation Corporation
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Table XII
Principal Employers
Current Year and Nine Years Ago

2020				2011			
Employer (2)	Employees	Rank	Percentage of Total City Employment (1)	Employer (3)	Total Employees	Rank	Percentage of Total City Employment (1)
Indiana University Health	23,187	1	5.08%	Clarian Health Partners, Inc	12,763	1	3.04%
Ascension St. Vincent	17,398	2	3.81%	Eli Lilly and Company	11,550	2	2.75%
Community Health Network	11,328	3	2.48%	St. Vincent Hospitals & Health Services	10,640	3	2.53%
Eli Lilly and Company	10,764	4	2.36%	IUPUI	7,066	4	1.68%
Walmart	8,926	5	1.96%	FedEx	6,311	5	1.50%
Kroger Co	7,675	6	1.68%	Community Health Network	5,341	6	1.27%
Federal Express Corporation	5,000	7	1.10%	Rolls-Royce	4,300	7	1.02%
Anthem	4,866	8	1.07%	St. Francis Hospital & Health Centers	4,152	8	0.99%
Eskenazi Health	4,620	9	1.01%	WellPoint Inc.	3,950	9	0.94%
Meijer	4,594	10	1.01%	Allison Transmission/Div of GMC	3,800	10	0.90%
		Total	21.56%			Total	16.62%

(1) Percentage of total City employment is calculated using total Employment Labor Force, which can be found at www.stats.indiana.edu.

(2) Largest employers can be found at www.indypartnership.com (Indy Partnership).

(3) 2011 largest employers data can be found in IPTC 2011 Annual Report.

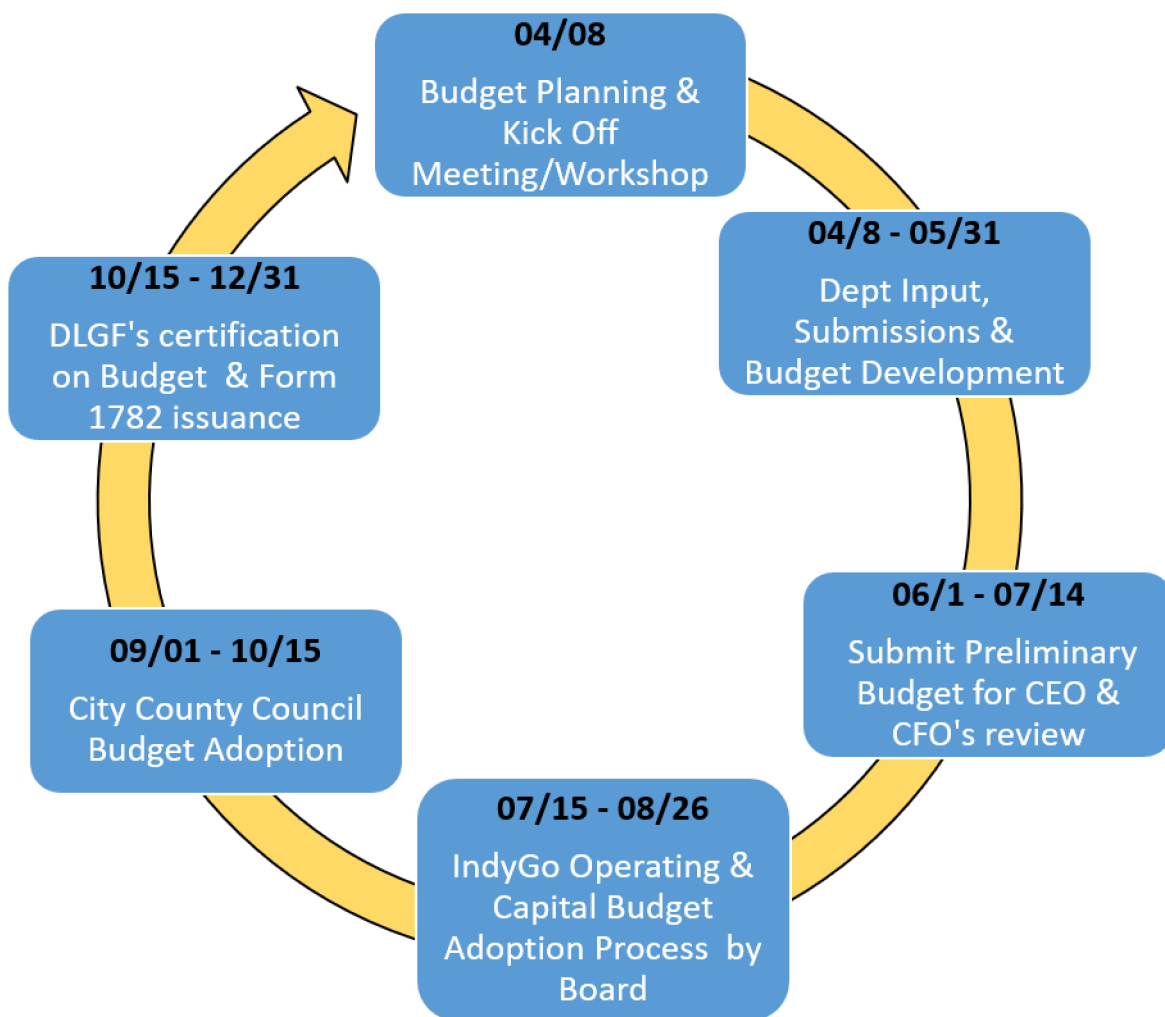
BUDGET PROCESS INFORMATION

BUDGET PROCESS

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

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

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



BUDGET PREPARATION

The annual budget development cycle begins with an analysis of the current year budget compared to projected annual expenditures and long -term capital improvement program funding. Development of the 2022 Annual Operating Budget began with a budget workshop meeting in April 2021 to review instructions and distribute budget materials. Departments were advised to use the Zero-Based budgeting methodology to build the budgets from ground up and not relying on prior budgets as a baseline. This approach is quintessential as IndyGo has gone through some changes in the services levels since passing of the referendum. It is a helpful tool especially when there is uncertainty associated with the future revenues.

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

REVIEW & PUBLIC PARTICIPATION

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

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

1. Presented to Board in late July or the first week of August.
2. Public Hearing will be held ten days after introduction of the Budget to receive stakeholder input.
3. Final approval of the Operating Budget voted on in a separate Board meeting held the last Thursday of August.

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



Photo Courtesy: WFYI

BUDGET AMENDMENTS & TRANSFERS

Budget Amendment

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

Transfer of Appropriations

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

They determine that the transfer is necessary;

The transfer does not require the expenditure of more money than the total amount set out in the budget for that fund as finally determined under IC 6 -1.1; and

The transfer is made at a regular public meeting and by proper ordinance or resolution.

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

MONITORING

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

BUDGET ACCESS

All Budget documents are available on the IPTC's website at www.indygo.net.

FISCAL YEAR 2022 BUDGET CALENDAR

Budget Planning	Wednesday, April 08, 2021	Budget Workshop to go over 2022 Budget Process
Department Input & Budget Development	Thursday, April 29, 2021	Department Directors submit their first draft budget to Finance
	Friday, April 30, 2021 - Friday, May 28, 2021	Meeting with Departments to discuss budget submissions and further refinements
	Monday, May 31, 2021	Last day for county auditor to distribute to each taxing unit the amount of the supplemental distribution that is allocated to the taxing unit under subdivision (IC 6-3.6-9-15)
	Tuesday, June 1, 2021	Draft budget overview with CFO
	Tuesday, June 8, 2021	Draft budget overview with CEO
Budget Overview Review Period	Thursday, June 17, 2021	Provide Preliminary Overview of Budget to Finance & Service Committees and Seek Input
	Wednesday 30, 2021	SBA to provide Assessed Value Growth Quotient (AVGQ)
	Friday, July 9, 2021	Month End Close for the month of June
	Wednesday, July 14, 2021	DLGF to provide reports on maximum permissible property tax levy, maximum cumulative fund tax rate & miscellaneous revenue sources estimates for the budget year 2022
	Thursday, July 15, 2021	Finance Committee Budget Review
IPTC Budget Finalization & Adoption	Thursday, July 22, 2021	Submit 1st Advertisement for Publication in Newspaper on Thursday, July 29, 2021
	Thursday, July 22, 2021	Budget to Printer
	Monday, July 26, 2021	IPTC Board Meeting - Introduce budget - 5 pm
	Monday, August 2, 2021	Submit 2nd Advertisement for Publication in Newspaper on Thursday, August 5, 2021
	Friday, July 30, 2021	DLGF to provide estimates on the 2022 property tax circuit breaker credits
	Monday, August 2, 2021	Certified net assessed valuation provided by county auditors to be made available on Gateway portal by DLGF
	Thursday, August 12, 2021	IPTC Board Meeting - Public Hearing/Comment on Budget - 5 pm
	Thursday, August 26, 2021	IPTC Board Meeting - Final Adoption of Budget - 5 pm
DLGF - Gateway Submission	Wednesday, September 1, 2021	Last day for municipal corporations to submit proposed 2022 budgets, tax rates, and tax levies to the County fiscal body or other appropriate fiscal body for binding adoption & Form 3 (Notice to Tax Payers) into Gateway
Indianapolis City County Council Budget Adoption Process	Monday, September 13, 2021	Introduction of Municipal Corporation budgets at Full Council meeting - 7:00 pm
	Thursday, September 16, 2021	Municipal Corporations Budget Hearing - 5:30 pm Room 260
	Wednesday, September 29, 2021	Municipal Corp Committee - Budget Review & Analysis - 5:30 pm Room 260
	Monday, October 11, 2021	City County Council - IPTC Budget Adoption - 7:00 pm
DLGF Budget Process	Monday, November 8, 2021	Last day for units to submit their 2022 budgets, tax rates, and tax levies to the Department through Gateway
	Friday, December 31, 2021	Last day for the Department to accept additional appropriation requests for the 2021 Budget year from Unit
DLGF Certification	Friday, December 31, 2021	The DLGF certifies and issues Form 1782 with 2022 budgets, tax rates, and tax levies.

BASIS OF GOVERNMENTAL FINANCE & FUND STRUCTURE

Cash Basis of Budgeting

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

Accrual Basis of Accounting

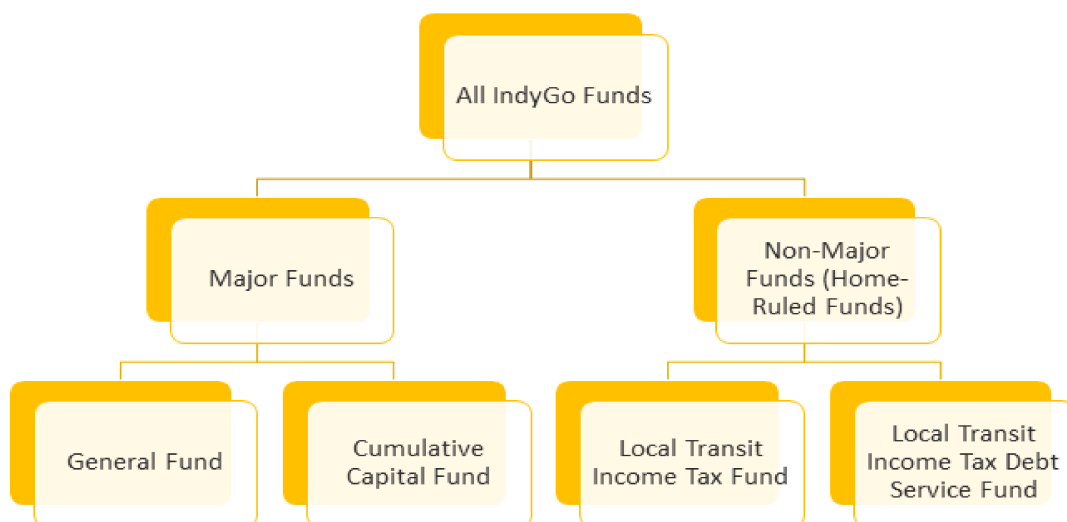
The operations of IPTC are accounted for as an enterprise fund on an accrual basis in accordance with all applicable Governmental Accounting Standards Board (GASB) pronouncements for accounting. The accrual method recognizes transactions and events when they occur, regardless if when cash is received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

Balanced Budget

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

IndyGo Fund Structure

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



General Fund

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

Cumulative Capital Fund

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

Local Transit Income Tax Fund

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

Local Transit Income Tax Debt Service Fund

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

IndyGo Funds and Departments

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

FINANCIAL POLICIES

Financial Policies

A seven-member Board of Directors approves IndyGo policies relating to operations, contracted services, safety, finance, and overall corporate structure. The Mayor of Indianapolis and the City-County Council of Indianapolis and Marion County appoint the bipartisan group. The mayor selects three members and the Council selects four.

The financial policies, compiled below, set the basic framework for the overall fiscal management of the organization. Operating independently of changing circumstances and conditions, these policies assist the decision-making process of the Board of Directors and administration. Key policies are summarized as below.

Fund Reserve Policy

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

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

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

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

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

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

Debt Policy

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

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

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

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

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

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

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

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

Capital Asset Management Policy

Annually, along with the development of the Operating Budget, IndyGo will prepare and update a five-year Capital Improvement Program (CIP) analyzing all anticipated capital expenditures, identifying associated funding sources, and future capital expenditures necessitated by changes in the landscape of service needs.

Capital improvement projects are defined as facility or equipment purchases or construction which results in a capitalized asset costing more than \$100,000 and having a useful (depreciable life) of three years or more. Also included are major maintenance projects of \$100,000 or more that have a useful life of at least three years. For accounting purposes, the definition of a Capital Improvement Project differs from that of a Capital/Fixed Asset. IPTC will maintain a schedule of individual capital assets with values in excess of \$5,000 and an estimated useful life in excess of three years. All items with an original value of less than \$5,000, or with an estimated useful life of three years or less, will be recorded as operating expenditure.

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

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

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

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

Investment Policy

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

The investment objectives of IndyGo are:

Conform to all applicable legal requirements including, but not limited to, IC 5-13.

Shall be undertaken in a manner that seeks to preserve capital. At no time should the safety of the portfolio's principal investment be impaired or jeopardized.

Investment portfolio is to remain sufficiently liquid to enable IPTC to meet those operating requirements that might be reasonably anticipated.

Yield/Return on investment should generate the highest available return without sacrificing the first 3 objectives outlined above.

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

The investing officer may make investments having a stated final maturity for not more than five (5) years after the date of purchase or entry into a repurchase agreement. (IC 5-13-9-5.7). The total outstanding investments with maturity dates past two (2) years must not exceed twenty-five percent (25%) of the total portfolio of public funds invested by IndyGo, including balances in transaction accounts. (IC 5-13-9-5.7)

The Director of Accounting shall maintain an inventory of monthly obligations and securities reports to be made available to the IndyGo Board of Directors upon request clearly provide the following information regarding the investment portfolio; types of investments; depository institutions; principal balances; maturity dates; rates of return; purchases; and sales. The Director of Accounting shall make an annual written report to IndyGo's Finance Committee summarizing IndyGo's investments during the previous calendar year. The report must contain the name of each financial institution, government agency or instrumentality, or other person with whom IndyGo invested money during the previous calendar year. (IC 5-13-7- 7)

This Investment Policy terminates four (4) years from the date of enactment. However, the policy shall be reviewed, at minimum, annually by the Finance Committee at which time the board may terminate the policy, readopt the policy, or make modifications thereto. Due consideration will be given to new laws or other conditions that impact this policy and any necessary changes may be made to this policy at any time during the year in response thereto.

Internal Controls Policy

The purpose of this policy is to communicate the Indianapolis Public Transportation Corporation's internal control objectives to all employees and appointed officials of the Indianapolis Public Transportation Corporation ("IPTC") and to firmly commit the IPTC to the seventeen key principles of internal controls as established by the Indiana State Board of Accounts. The comprehensive policy outlines each principle in more detail, but the key

Components and Principles of the Internal Controls Policy are as below:

- Component One: Control Environment
 - Principle 1
 - ◆ The oversight body and management demonstrate a commitment to integrity and ethical values.
 - Principle 2
 - ◆ The oversight body oversees the IPTC's internal control system.
 - Principle 3
 - ◆ Management establishes an organizational structure, assigns responsibility, and delegates authority to achieve the IPTC's objectives.
 - Principle 4
 - ◆ Management demonstrates a commitment to recruit, develop, and retain competent individuals.
 - Principle 5
 - ◆ Management evaluates performance and holds individuals accountable for their internal control responsibilities.
- Component Two: Risk Assessment
 - Principle 6
 - ◆ Management defines objectives clearly to enable the identification of risks and risk tolerances.
 - Principle 7
 - ◆ Management identifies, analyzes, and responds to risks related to achieving the defined objectives.
 - Principle 8
 - ◆ Management considers the potential for fraud when identifying, analyzing, and responding to risks. Code § 5-11-1-27(I) relating to the Report of Misappropriation of Funds to State Board of Accounts and Prosecuting Attorney and Ind. Code § 5-11-1-27(j) relating to the Report of Material Variances, Losses, Shortages or Thefts to the State Board of Accounts. The IPTC shall utilize a materiality threshold of \$5,000.
 - Principle 9
 - ◆ Management identifies, analyzes, and responds to significant changes that could impact the internal control system.
- Component Three: Control Activities
 - Principle 10
 - ◆ Management designs control activities to achieve objectives and respond to risks.

- Principle 11
 - ◆ Management designs the IPTC's information system and related control activities to achieve objectives and respond to risks.
- Principle 12
 - ◆ Management implements control activities through policies.
- Component Four: Information and Communication
 - Principle 13
 - ◆ Management uses quality information to achieve IPTC's objectives.
 - Principle 14
 - ◆ Management internally communicates the necessary quality information to achieve the IPTC's objectives.
 - Principle 15
 - ◆ Management externally communicates the necessary quality information to achieve the IPTC's objectives.
- Component Five: Monitoring Activities
 - Principle 16
 - ◆ Management establishes and operates monitoring activities to monitor the internal control system and evaluate the results.
 - Principle 17
 - ◆ Management remediates identified internal control deficiencies on a timely basis.

SIGNIFICANT ASSUMPTIONS - REVENUE

OPERATING REVENUES

The effects of the pandemic are expected to continue to impact IndyGo through FY2022 as IndyGo, like other transit operators, expects a lengthy recovery before ridership and revenue return to pre-Covid levels. The pandemic has affected all the units of government who rely heavily on local tax collections and other revenues. Forecasting of revenue, ridership and local taxes has been broadly impacted by the onset and continuation of the pandemic. Despite the challenges, IndyGo continues to support the region in providing essential services.

During the preparation of this budget, an outlook for FY2022, the impact is not fully known, IndyGo continues to work with its fiscal partners such as The Department of Local Government Finance (DLGF), City of Indianapolis & Marion County, and the State Budget Agency who provide various revenue estimates to the local units of the government for the next budget year and make necessary adjustments.

Ridership & Revenue

Fare Revenue continues to be a challenge area since the onset of Covid-19 pandemic. Ridership has been significantly impacted by a shift towards telecommuting and alternative work schedules resulting in lower ridership. While optimistic that transit ridership will rebound in the long run, the FY2022 Budget assumes that significant ridership and revenue recovery will not begin until Q4 of FY2022 and will not be strong enough at the pre-Covid levels. The fare revenue for the fiscal year 2022 is budgeted at 5% increase over FY2021's budget totaling \$6.7 million.

Local Property & Income Tax

Property, excise and local option income taxes are calculated using the current rules that are in effect. FY2022's budget includes a marginal levy growth of 3.5%. However, it is assumed that IndyGo will collect 98% of the approved tax levies net of the circuit breaker for 2021 accounting in for 2% uncollectible taxes. A provision for the impact of the circuit breaker is estimated at \$6 million for FY2022. As in past years, IndyGo will require a special property tax levy of \$14.8 million to balance the operating budget. It is to be noted that this levy is not imposing any additional burden on the taxpayers.

IndyGo's share of the Local Transit Income Tax actually realized a growth of 6.7% in FY2021 over FY2020's certified distribution as the impact of COVID had not yet realized in the fiscal year FY21 due to the timing of collection and distribution of the Transit Income Tax. However, IndyGo is expecting a decline of 10% over 2021's budget to account for the impact of Covid-19 on population's personal income. A total of \$57.2 million of Transit Income Tax collection is budgeted for FY2022. This funding will be directed towards operational, capital & debt service expenditure needs.

State Funding

The State PMTF revenue is budgeted as the same level as FY2021 at \$9.6 million as the grantor's biennium budget for the PMTF funds is the same as FY2021.

Federal Assistance

Congress passed various support packages to ease the economic impacts of COVID-19 including the “Coronavirus Aid, Relief and Economic Security Act” or “CARES Act”, which received final passage by Congress and was signed into law by the President on March 27, 2020. The CARES Act provides funding at a 100% Federal share, with no local match required, and is available to support operating, capital and other expenses incurred by transit agencies beginning on January 20, 2020 to prevent, prepare for, and respond to the COVID-19 pandemic, including operating service for essential workers, such as medical personnel and first responders. IndyGo received this funding to help fund critical expenses including increased cleaning, essential transit trips and to replace lost fare revenue resulting from the ridership decline. Based on federal guidelines, this money will help ensure we can continue to operate service and meet our obligations. Without CARES Act funding, IndyGo provided services since the onset of the pandemic would not have been possible.

On December 27, 2020, the President authorized additional coronavirus relief funding (CRRSAA) as part of the Consolidated Appropriations Act, 2021.

The American Rescue Plan Act of 2021 (ARP), which the President signed on March 11, 2021, includes additional federal funding to support the nation’s public transportation systems as they continue to respond to the COVID-19 pandemic and support the President’s call to vaccinate the U.S. population.



IndyGo's revenue projections include aid from various federal stimulus funds each year alleviating gaps between the projected revenues and expenses by way of its strategic usage to advance the operations of IndyGo. The budget for FY2022 includes \$20 million in federal stimulus funds.

IndyGo's total federal formula allocation is projected slightly lower than FY2021's budget as IndyGo is chosen to administer section 5307 formula funding for the urban mass transit. \$11 million of federal 5307 formula money is budgeted in preventative maintenance expenditures and ADA program in FY2022 general fund budget and the remaining allocation is budgeted to fund the capital projects.

Other Revenue

Service reimbursement program revenue is expected to remain the same.

Transit advertising revenue is expected to grow at 10% bringing it to pre-Covid level.

Operating Revenue Budget Summary - Future Years Outlook

The following table shows a forward looking outlook for operating revenue based on the agency's own projections. This table is a helpful tool for the agency to analyze its future revenue and compare it with the expenditure outlook at current service levels. Although federal stimulus funds help IndyGo cover its expenses in the near term, it may not be enough to cover all lingering effects of the Covid-19 pandemic in future out years.

	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook	2024 Budget Outlook	2025 Budget Outlook
Revenues					
Passenger Service Revenue	6,379,045	6,697,998	7,367,797	8,104,577	8,915,034
Service Reimbursement Programs	265,000	265,000	265,000	265,000	265,000
Advertising Revenue	607,775	670,000	670,000	670,000	670,000
Other Operating Income	109,500	113,740	113,740	113,740	113,740
State Funds/Grants	9,634,315	9,634,315	11,000,000	11,000,000	11,000,000
Federal Assistance					
Federal Assistance - Stimulus Funds	14,173,048	20,263,920	22,835,717	20,975,997	18,542,519
Federal Assistance - Other	11,358,266	11,201,842	11,042,270	11,145,710	11,252,254
Local Transit Income Tax	38,711,748	36,989,879	37,265,787	40,708,276	44,406,278
Local Property & Excise Taxes	36,069,630	37,462,904	38,945,120	40,069,375	41,234,371
Revenues Total	<u>117,308,327</u>	<u>123,299,598</u>	<u>129,505,431</u>	<u>133,052,675</u>	<u>136,399,196</u>

The following table provides assumptions of percentage changes in the revenue forecast in the major revenue sources that are expected to be hard hit due to the pandemic.

	2022	2023	2024	2025	2026
Transit Income Tax	-10%	0%	7.50%	7.50%	5.0%
<u>Property Taxes</u>					
i) Collection rate (% of net levy)	98%	100%	101%	102%	102%
ii) Assessed Valuation Growth Quotient	3.5%	3.5%	3.5%	3.5%	3.5%
Passenger Service Revenue	5%	10%	10%	10%	10%
State Grants	0%	14%	0%	0%	0%

* The above percentage change implies increase/(decrease) in the revenue projections over prior year's figures.

SIGNIFICANT ASSUMPTIONS - EXPENDITURES

OPERATING EXPENDITURES

Operating expenditures for 2022 are budgeted around the assumption of no major service changes or network modifications.

Personal services, including wages and benefits, are budgeted for 908 full-time equivalents (FTEs) in 2022. This increase in staffing, as well as performance-based wage increases and rising benefits costs, is represented by a 5% increase to the personal services budget.

Premium diesel fuel consumption is assumed to be 135,000 gallons per month, or 1,620,000 gallons for 2022. The budgeted rate for fuel is set at \$2.20 per gallon.

An inter-local cooperation agreement between IndyGo and the City of Indianapolis through its Department of Public Works for implementation of the Marion County Transit Plan will call for an appropriation of \$1.5 million to the City in fulfilling its obligation to make available and maintain the City Infrastructure of Phase 1 of the Red Line.

IndyGo began expanding its facilities-related footprint in 2021 in order to maximize operating efficiencies and to provide greater customer service support to riders. These new facilities include north and south charging stations for Red Line battery electric buses, a facility dedicated to Mobility Services and Customer Service, and a campus of buildings that will eventually become the new headquarters for IndyGo. The operating budget for 2022 accounts for the ongoing needs of these facilities, including utilities, security, maintenance, and insurance.

Assumptions for budget increases in years 2023 - 2026 are listed below.

Assumption	FY2023	FY2024	FY2025	FY2026
Wages, Payroll Taxes & Retirement Benefits	5%*	2%	2%	2%
Health Insurance Benefits	7%	5%	3%	3%
Materials & Supplies	3%	3%	3%	3%
Other Services & Charges	5%	3%	3%	3%

* Blended rate to account for the FTE increases needed to support the garage expansion for bus storage and infrastructure, as well as a marginal wage increase.

EXPENDITURE CATEGORIES

Personal Services

IndyGo's largest ongoing annual operating expenditure is Personal Services. Personal Services includes all employee salary and fringe benefits, overtime, payroll taxes and retirement expenses. 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. Growth in the Personal Services category is typically associated with contractual wage and benefit increases and performance-based raises.

Other Services & Charges

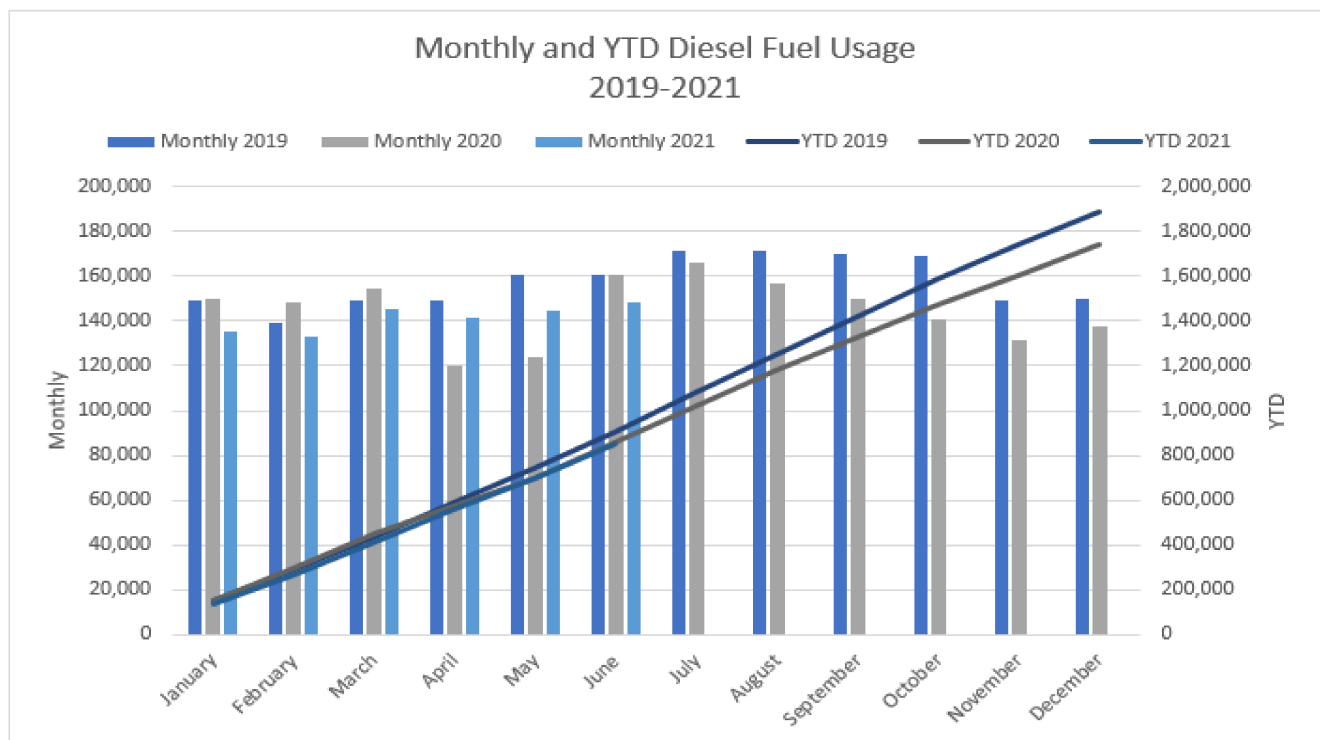
Operating expenditures related to contracted and professional services are the largest components of the Other Services & Charges category. Examples of services for which IndyGo contracts out are: security, facility and bus stop maintenance, landscaping, along with audit and legal services. The largest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

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

Materials & Supplies

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

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



Operating Expenditure Budget Summary - Future Years Outlook

The purpose of the future years forecasts is to help IndyGo make informed budgetary and operational decisions by anticipating future expenditures and revenues. With the forecast, decision makers and stakeholders will know better about the necessary actions to take to help ensure balance. Such planning provides for greater financial stability, signals a prudent approach to financial management, and prioritizes services levels. The following table shows operating expenditure outlook for the future years based on the agency's own projections. While Budget projections for the year 2022 is based upon the budget requests provided by departments, for current service levels, the projected budgets for the subsequent years (2023 -2026) assume a varied rate of increase depending on the nature of the expense in the overall budget over the prior year, as described earlier in the assumptions section.

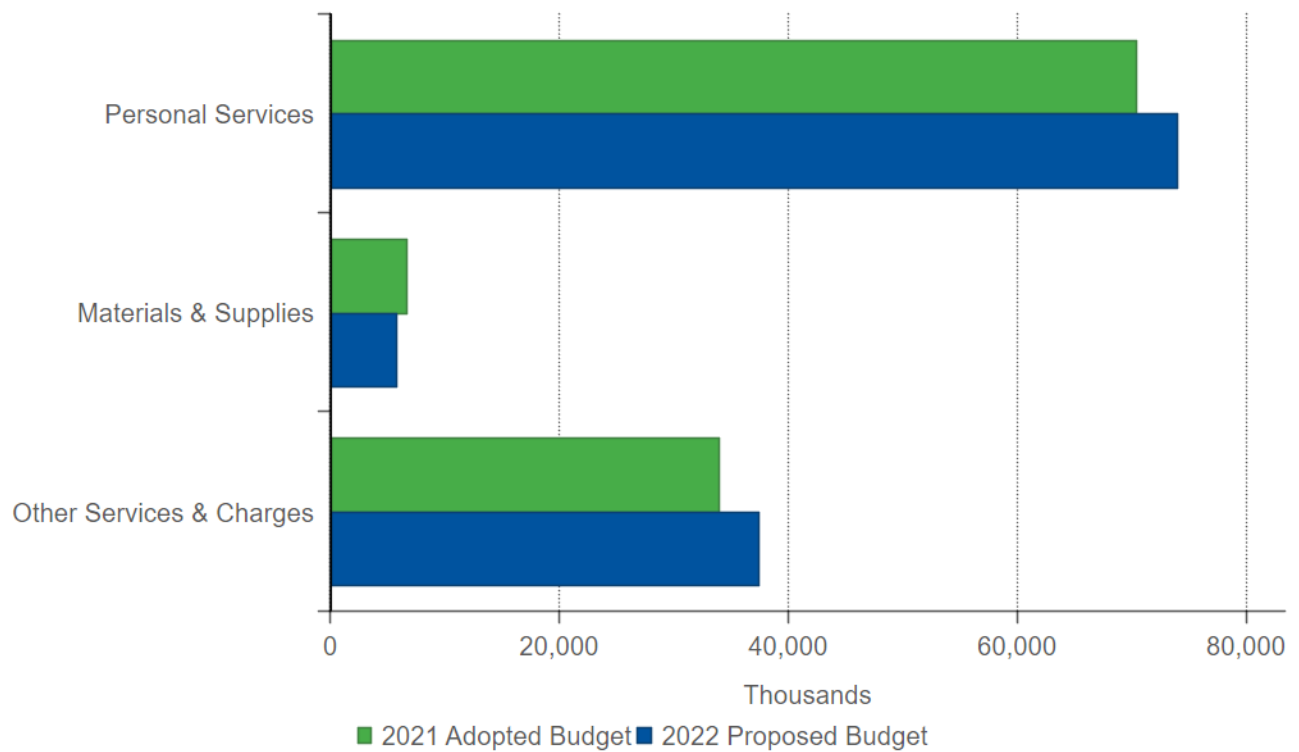
	2020 Actuals	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook	2024 Budget Outlook	2025 Budget Outlook	2026 Budget Outlook
Personal Services							
Wages	48,216,662	50,687,867	52,704,063	55,339,266	56,446,051	57,574,972	58,726,471
Benefits	11,981,178	12,687,455	13,761,259	14,724,547	15,460,774	15,924,597	16,402,335
Other Benefits	1,180,365	1,158,472	1,568,586	1,647,015	1,679,955	1,713,554	1,747,825
Payroll Taxes	3,439,785	3,877,622	4,031,862	4,233,455	4,318,124	4,404,486	4,492,576
Retirement	1,789,448	2,006,000	1,925,000	2,021,250	2,061,675	2,102,909	2,144,967
Personal Services Total	66,607,438	70,417,416	73,990,770	77,965,533	79,966,579	81,720,518	83,514,174
Materials & Supplies							
Fuel	3,525,301	4,018,932	4,272,554	4,400,731	4,532,753	4,668,736	4,808,798
Office Supplies	112,097	159,576	181,816	187,270	192,888	198,675	204,635
Operating Supplies	389,749	545,659	585,080	602,632	620,711	639,332	658,512
Other	1,331,680	1,497,671	1,000,640	1,030,659	1,061,579	1,093,426	1,126,229
Parts	5,376,694	6,690,219	5,839,355	6,014,536	6,194,972	6,380,821	6,572,246
Materials & Supplies Total	10,735,521	12,912,057	11,879,445	12,235,828	12,602,903	12,980,990	13,370,420
Other Services & Charges							
Contractual Services	20,033,883	24,839,884	27,888,830	29,283,272	30,161,770	31,066,623	31,998,622
Dues and Subscriptions	72,997	70,659	62,999	66,149	68,133	70,177	72,282
Insurance	3,414,621	3,949,775	3,676,908	3,860,753	3,976,576	4,095,873	4,218,749
Printing and Advertising	495,296	529,119	548,372	575,791	593,065	610,857	629,183
Professional Services	1,894,895	1,786,808	1,978,452	2,077,375	2,139,696	2,203,887	2,270,004
Telephone	363,854	693,403	532,322	558,938	575,706	592,977	610,766
Training and Conferences	82,202	269,205	410,000	430,500	443,415	456,717	470,419
Utilities	1,534,762	1,840,000	2,331,500	2,448,075	2,521,517	2,597,163	2,675,078
Other Services & Charges Total	27,892,510	33,978,853	37,429,383	39,300,853	40,479,878	41,694,274	42,945,103
Grand Total	105,235,469	117,308,326	123,299,598	129,502,214	133,049,360	136,395,782	139,829,697

Budget Comparison by Expenditure Category

The following table shows comparative summary of the budget years 2021 & 2022 by main expenditure account category. The incoming budget shows 5% increase over 2021's budget. This increase is in regard to the wages and benefits expenses, increase in various contractual services such as COVID-19 cleaning and sanitizing efforts, security services, enriched mobility programs, maintenance, upkeep and leases-rental charges as well as other professional and contractual services needed to help move our existing projects forward.

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	\$ Variance	% Variance
Personal Services					
Wages	48,216,662	50,687,867	52,704,063	2,016,196	4.0
Benefits	11,981,178	12,687,455	13,761,259	1,073,804	8.5
Other Benefits	1,180,365	1,158,472	1,568,586	410,114	35.4
Payroll Taxes	3,439,785	3,877,622	4,031,862	154,240	4.0
Retirement	1,789,448	2,006,000	1,925,000	(81,000)	(4.0)
Personal Services Total	66,607,438	70,417,416	73,990,770	3,573,354	5.1
Materials & Supplies					
Fuel	3,525,301	4,018,932	4,272,554	253,622	6.3
Office Supplies	112,097	159,576	181,816	22,240	13.9
Operating Supplies	389,749	545,659	585,080	39,421	7.2
Other	1,331,680	1,497,671	1,000,640	(497,031)	(33.2)
Parts	5,376,694	6,690,219	5,839,355	(850,864)	(12.7)
Materials & Supplies Total	10,735,521	12,912,057	11,879,445	(1,032,612)	(8.0)
Other Services & Charges					
Contractual Services	20,033,883	24,839,884	27,888,830	3,048,946	12.3
Dues and Subscriptions	72,997	70,659	62,999	(7,660)	(10.8)
Insurance	3,414,621	3,949,775	3,676,908	(272,867)	(6.9)
Printing and Advertising	495,296	529,119	548,372	19,253	3.6
Professional Services	1,894,895	1,786,808	1,978,452	191,644	10.7
Telephone	363,854	693,403	532,322	(161,081)	(23.2)
Training and Conferences	82,202	269,205	410,000	140,795	52.3
Utilities	1,534,762	1,840,000	2,331,500	491,500	26.7
Other Services & Charges Total	27,892,510	33,978,853	37,429,383	3,450,530	10.2
Grand Total	105,235,469	117,308,326	123,299,598	5,991,272	5.1
Full Time Equivalents	903.5	899.0	908.0	-	-

Budget Comparison by Expenditure Category



Comparative Departmental Budget Summary

Division	Dept. #	Dept. Name	2021 Adopted Budget	2022 Proposed Budget	Variance	% Variance
Executive	09	Board	9,000	-	(9,000)	(100.0)%
	10	Executive	1,247,105	1,652,310	405,205	32.5 %
	24	Risk & Safety	2,157,552	2,092,033	(65,519)	(3.0)%
	42	Governance & Audit	473,664	505,212	31,548	6.7 %
			<u>3,887,321</u>	<u>4,249,555</u>	<u>362,234</u>	9.3 %
Public Affairs & Communications	11	Public Affairs & Communications	<u>1,253,084</u>	<u>1,294,667</u>	<u>41,583</u>	3.3 %
Legal	12	Legal	<u>2,679,114</u>	<u>2,716,755</u>	<u>37,641</u>	1.4 %
Operations	21	Transportation	33,642,154	34,328,655	686,501	2.0 %
	23	Training & Security	2,464,243	2,859,269	395,026	16.0 %
	25	Mobility Services	14,693,663	14,949,487	255,824	1.7 %
	26	Service Planning	1,226,479	1,255,070	28,591	2.3 %
	29	Fleet Services	6,074,757	6,664,183	589,426	9.7 %
		Preventative Maintenance & Repairs				
	31		12,242,452	12,779,102	536,650	4.4 %
	33	Facility Maintenance	5,478,967	7,639,091	2,160,124	39.4 %
	45	Carson Transit Center	3,230,179	2,726,723	(503,456)	(15.6)%
			<u>79,052,894</u>	<u>83,201,580</u>	<u>4,148,686</u>	5.2 %
Information Technology	40	Information Technology	<u>3,805,959</u>	<u>4,362,200</u>	<u>556,241</u>	14.6 %
Finance	41	Finance	3,214,944	3,015,503	(199,441)	(6.2)%
	43	Procurement	2,245,304	1,271,321	(973,983)	(43.4)%
			<u>5,460,248</u>	<u>4,286,824</u>	<u>(1,173,424)</u>	(21.5)%
Human Resources	44	Human Resources	<u>17,282,277</u>	<u>18,797,995</u>	<u>1,515,718</u>	8.8 %
Infrastructure, Strategy, & Innovation		Infrastructure, Strategy, & Innovation				
	46		<u>3,887,431</u>	<u>4,390,022</u>	<u>502,591</u>	12.9 %
			<u>117,308,328</u>	<u>123,299,598</u>	<u>5,991,270</u>	5.1 %

Comparative Departmental Position Summary

Division	Dept. #	Dept. Name	2021 Adopted Budget	2022 Proposed Budget	Variance	% Variance
Executive	10	Executive	6.0	8.0	2.0	33.3 %
	24	Risk & Safety	4.0	4.0	-	- %
	42	Governance & Audit	2.0	2.0	-	- %
			<u>12.0</u>	<u>14.0</u>	<u>2.0</u>	16.7 %
Public Affairs & Communications	11	Public Affairs & Communications	<u>7.0</u>	<u>7.0</u>	<u>-</u>	- %
Legal	12	Legal	<u>5.0</u>	<u>7.0</u>	<u>2.0</u>	40.0 %
Operations	21	Transportation	581.5	567.0	(14.5)	(2.5)%
	23	Training & Security	14.5	14.0	(0.5)	(3.4)%
	25	Mobility Services	12.0	13.0	1.0	8.3 %
	26	Service Planning	-	11.0	11.0	- %
	29	Fleet Services	57.0	44.0	(13.0)	(22.8)%
		Preventative Maintenance & Repairs				
	31		90.0	105.0	15.0	16.7 %
	33	Facility Maintenance	16.0	17.0	1.0	6.3 %
	45	Carson Transit Center	20.0	12.0	(8.0)	(40.0)%
			<u>791.0</u>	<u>783.0</u>	<u>(8.0)</u>	(1.0)%
Information Technology	40	Information Technology	<u>25.0</u>	<u>29.0</u>	<u>4.0</u>	16.0 %
Finance	41	Finance	25.0	24.5	(0.5)	(2.0)%
	43	Procurement	9.0	18.0	9.0	100.0 %
			<u>34.0</u>	<u>42.5</u>	<u>8.5</u>	25.0 %
Human Resources	44	Human Resources	<u>13.0</u>	<u>13.0</u>	<u>-</u>	- %
Infrastructure, Strategy, & Innovation	46	Infrastructure, Strategy, & Innovation	<u>12.0</u>	<u>12.5</u>	<u>0.5</u>	4.2 %
			<u>899.0</u>	<u>908.0</u>	<u>9.0</u>	1.0 %

Comparative Departmental Position Summary

The following departmental FTE changes are being made for 2022, in order to better align departmental functions and streamline processes throughout the organization.

- Executive FTE count has increased with the addition of the newly created Inclusion & Workforce Development department. New positions have been created to supplement their operations.
- DBE specialist staff members have moved from Procurement to Legal.
- Transportation will be adding several new positions, to supplement the opening of multiple new facilities. The coach operator count will be kept consistent with current staffing levels, resulting in a net decrease in FTEs for this department.
- Preventative Maintenance & Repairs will be increasing certain position levels, especially High Voltage Technicians, Defect Mechanics, and Vehicle Maintenance Supervisors, in response to IndyGo's increasingly electric fleet and the opening of the new garage.
- Information Technology will be adding several new positions in response to upcoming software implementation and the opening of several new facilities.
- CTC's general laborer count has been moved to Fleet Services.

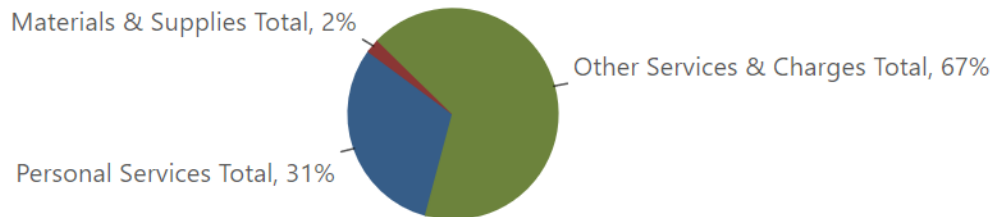
Executive

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	946,440	1,037,386	1,207,118	1,288,640
Other Benefits	447	-	-	-
Payroll Taxes	62,253	89,070	92,344	98,581
Personal Services Total	<u>1,009,140</u>	<u>1,126,456</u>	<u>1,299,462</u>	<u>1,387,221</u>
Materials & Supplies				
Office Supplies	4,365	11,025	17,700	17,673
Operating Supplies	25,763	24,951	34,500	37,300
Other	15,490	61,314	3,164	21,364
Parts	18,054	54,640	21,050	21,350
Materials & Supplies Total	<u>63,672</u>	<u>151,930</u>	<u>76,414</u>	<u>97,687</u>
Other Services & Charges				
Contractual Services	309,482	482,151	482,674	504,374
Dues and Subscriptions	51,605	58,900	53,689	53,689
Insurance	1,463,183	1,628,275	1,630,408	1,633,000
Printing and Advertising	3,892	5,500	15,476	15,000
Professional Services	81,000	196,000	280,568	410,737
Telephone	1,296	5,184	864	864
Training and Conferences	6,708	232,925	410,000	377,960
Other Services & Charges Total	<u>1,917,166</u>	<u>2,608,935</u>	<u>2,873,679</u>	<u>2,995,624</u>
Grand Total	<u>2,989,978</u>	<u>3,887,321</u>	<u>4,249,555</u>	<u>4,480,532</u>
Full Time Equivalents	<u>8.0</u>	<u>12.0</u>	<u>14.0</u>	<u>14.0</u>

Executive

Expenses by Category



Budget Analysis:

- Executive Department is continuing to absorb agency-wide Travel, Training & Staff Development, and Meals & Entertainment budgets. Going forward, the Executive Department will be maintaining agency-wide Conference Registration Expenses as well.
- Risk & Safety Department's budget for agency-wide PPE has decreased due to a lessened need for COVID-related items.
- Governance & Audit Department contains audit and consulting budgets.
- Inclusion and Workforce Development is newly created and housed in Executive, and includes budget for agency-wide programs, training, and fellows/interns.

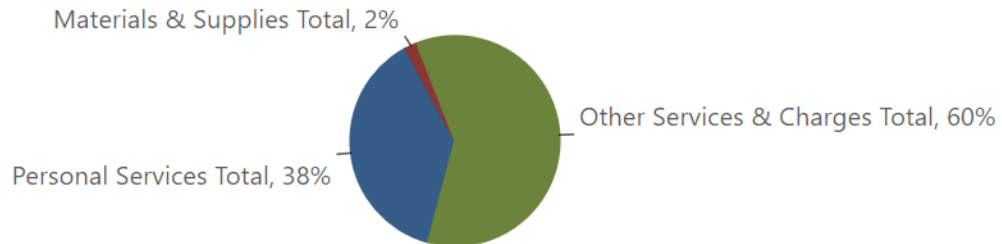
Public Affairs & Communications

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	707,684	451,597	458,446	492,226
Payroll Taxes	51,971	24,837	35,071	37,655
Personal Services Total	759,655	476,434	493,517	529,881
Materials & Supplies				
Office Supplies	20,799	10,000	17,500	20,000
Operating Supplies	1,202	-	2,000	-
Other	2,807	5,000	2,500	6,500
Materials & Supplies Total	24,808	15,000	22,000	26,500
Other Services & Charges				
Contractual Services	486,629	208,651	173,650	148,650
Dues and Subscriptions	817	-	1,000	-
Printing and Advertising	435,785	470,000	468,500	552,500
Professional Services	50,323	80,000	135,000	135,000
Telephone	-	1,000	1,000	1,000
Training and Conferences	10,047	2,000	-	2,000
Other Services & Charges Total	983,601	761,651	779,150	839,150
Grand Total	1,768,064	1,253,085	1,294,667	1,395,531
Full Time Equivalents	21.0	7.0	7.0	7.0

Public Affairs & Communications

Expenses by Category



Budget Analysis:

- Contractual services includes website hosting and maintenance, and real time passenger information screen hosting.
- Advertising expenses cover ad placement for employee hiring and general awareness. Printing includes costs to produce route maps, public meeting materials, and sales pieces for larger scale partnerships.

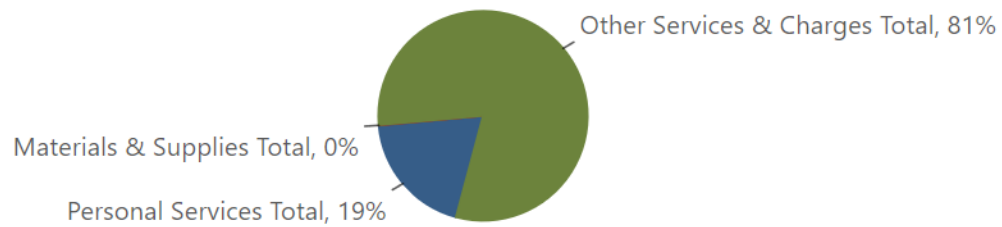
Legal

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	502,355	455,005	555,044	595,942
Payroll Taxes	33,849	34,808	42,461	45,590
Personal Services Total	<u>536,204</u>	<u>489,813</u>	<u>597,505</u>	<u>641,532</u>
Materials & Supplies				
Office Supplies	1,236	1,500	1,000	1,000
Other	(184,285)	(128,200)	-	1,800
Materials & Supplies Total	<u>(183,049)</u>	<u>(126,700)</u>	<u>1,000</u>	<u>2,800</u>
Other Services & Charges				
Contractual Services	91,186	132,000	132,250	132,250
Dues and Subscriptions	600	2,000	1,000	1,000
Insurance	814,428	1,500,000	1,200,000	1,750,000
Printing and Advertising	118	-	-	-
Professional Services	775,010	677,000	785,000	785,000
Training and Conferences	4,020	5,000	-	2,500
Other Services & Charges Total	<u>1,685,362</u>	<u>2,316,000</u>	<u>2,118,250</u>	<u>2,670,750</u>
Grand Total	<u>2,038,517</u>	<u>2,679,113</u>	<u>2,716,755</u>	<u>3,315,082</u>
 Full Time Equivalents	 <u>5.0</u>	 <u>5.0</u>	 <u>7.0</u>	 <u>7.0</u>

Legal

Expenses by Category



Budget Analysis:

- Attorney litigation and arbitration expenses fall under the legal department's professional services budget.
- Personal injury settlement expenses are included in other services and charges.
- DBE specialist staff members have been to Legal, from Procurement.

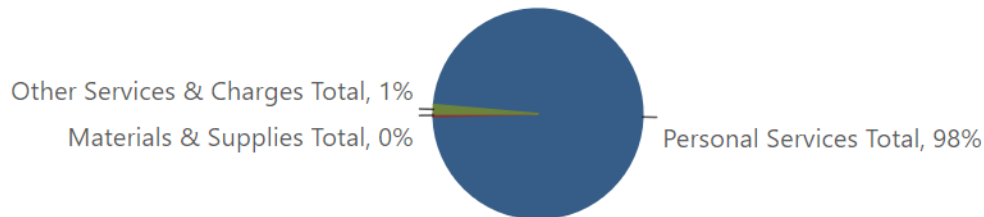
Transportation

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	28,802,291	30,186,702	31,109,486	33,469,884
Other Benefits	199,131	228,800	240,600	292,750
Payroll Taxes	2,042,263	2,309,282	2,379,876	2,560,446
Personal Services Total	31,043,685	32,724,784	33,729,962	36,323,080
Materials & Supplies				
Fuel	292	-	60,000	-
Office Supplies	16,325	26,100	26,600	26,600
Operating Supplies	57,949	-	-	-
Other	6,865	811,500	18,000	118,900
Parts	1,765	14,388	13,987	13,988
Materials & Supplies Total	83,196	851,988	118,587	159,488
Other Services & Charges				
Contractual Services	240,169	10,830	465,830	465,830
Dues and Subscriptions	195	-	-	-
Printing and Advertising	-	500	6,500	6,500
Professional Services	15,200	15,400	-	-
Telephone	2,448	37,152	7,776	7,776
Training and Conferences	15,070	1,500	-	37,140
Other Services & Charges Total	273,082	65,382	480,106	517,246
Grand Total	31,399,963	33,642,154	34,328,655	36,999,814
 Full Time Equivalents	 567.0	 581.5	 567.0	 567.0

Transportation

Expenses by Category



Budget Analysis:

- Personal services in Transportation include salary, benefits, and overtime for IndyGo's Professional Coach Operators.
- Driver's license fees are budgeted in other services and charges.
- Indianapolis Public Transit Foundation budget is housed in Transportation.
- Service Planning employees and contracts have been moved out of Transportation, to their newly created department.

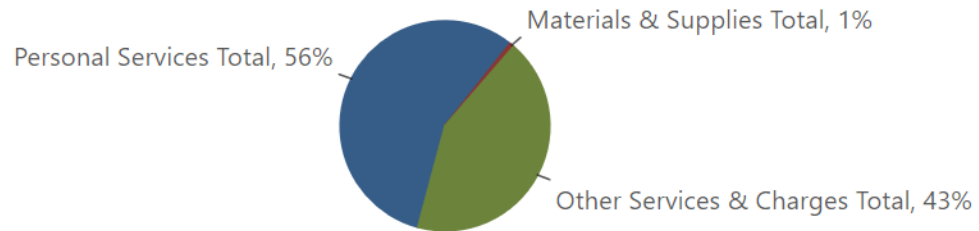
Service Planning

Service Planning department is responsible for the service planning and scheduling of IndyGo's fixed route and bus rapid transit operations.

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	-	720,921	712,179	764,655
Payroll Taxes	-	55,151	54,481	58,496
Personal Services Total	-	776,072	766,660	823,151
Materials & Supplies				
Office Supplies	-	4,000	4,000	5,000
Other	-	3,000	-	5,000
Materials & Supplies Total	-	7,000	4,000	10,000
Other Services & Charges				
Contractual Services	-	438,043	483,046	616,339
Dues and Subscriptions	-	500	500	685
Telephone	-	864	864	864
Training and Conferences	-	4,000	-	6,000
Other Services & Charges Total	-	443,407	484,410	623,888
Grand Total	-	1,226,479	1,255,070	1,457,039
Full Time Equivalents	-	-	11.0	11.0

Service Planning

Expenses by Category



Budget Analysis:

- Licensing and maintenance costs for service planning software are included in the IT Software budget.
- Professional scheduling services and training make up Service Planning's contractual services budget.

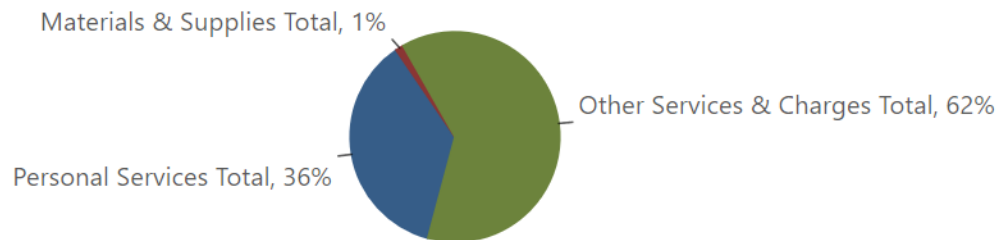
Carson Transit Center

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	1,060,209	1,166,511	865,080	932,865
Other Benefits	103	5,000	16,012	16,012
Payroll Taxes	76,016	89,239	66,179	71,364
Personal Services Total	1,136,328	1,260,750	947,271	1,020,241
Materials & Supplies				
Office Supplies	1,865	21,000	19,200	19,575
Operating Supplies	13,572	1,000	1,000	1,000
Other	831	-	7,400	1,200
Parts	12,503	17,000	15,500	13,200
Materials & Supplies Total	28,771	39,000	43,100	34,975
Other Services & Charges				
Contractual Services	1,226,590	1,855,429	1,672,852	1,688,190
Dues and Subscriptions	132	-	-	-
Professional Services	7,527	-	-	-
Utilities	50,402	75,000	63,500	64,875
Other Services & Charges Total	1,284,651	1,930,429	1,736,352	1,753,065
Grand Total	2,449,750	3,230,179	2,726,723	2,808,281
 Full Time Equivalents	 23.0	 20.0	 12.0	 12.0

Carson Transit Center

Expenses by Category



Budget Analysis:

- Contractual services includes the CTC's maintenance, repairs, and inspection costs. This also includes deep cleaning and general sanitizing/disinfecting, due to the large volume of people who pass through each day.
- Sewer, water, electricity, and natural gas expenses are budgeted in the utilities line item.

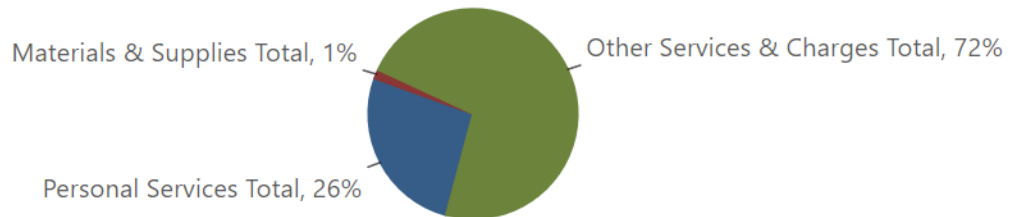
Training & Security

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	878,234	882,980	866,453	950,296
Payroll Taxes	61,733	67,548	66,284	72,698
Personal Services Total	939,967	950,528	932,737	1,022,994
Materials & Supplies				
Office Supplies	12,044	7,680	9,000	11,797
Operating Supplies	7,803	8,625	8,626	9,540
Other	75,950	46,901	986	9,563
Parts	1,626	19,040	18,600	24,050
Materials & Supplies Total	97,423	82,246	37,212	54,950
Other Services & Charges				
Contractual Services	1,170,886	1,419,084	1,875,976	2,797,115
Printing and Advertising	-	10,209	12,476	10,475
Telephone	432	868	868	868
Training and Conferences	1,809	1,310	-	-
Other Services & Charges Total	1,173,127	1,431,471	1,889,320	2,808,458
Grand Total	2,210,517	2,464,245	2,859,269	3,886,402
 Full Time Equivalents	 14.0	 14.5	 14.0	 14.0

Training & Security

Expenses by Category



Budget Analysis:

- IndyGo's contract for security services include fare enforcement services and security at the 1501 West Washington Street facility, as well as several new facilities opening in 2022. Fare inspector rates are set in line with industry standards.
- Fixed Route Training Instructors are included in Training & Security Department.

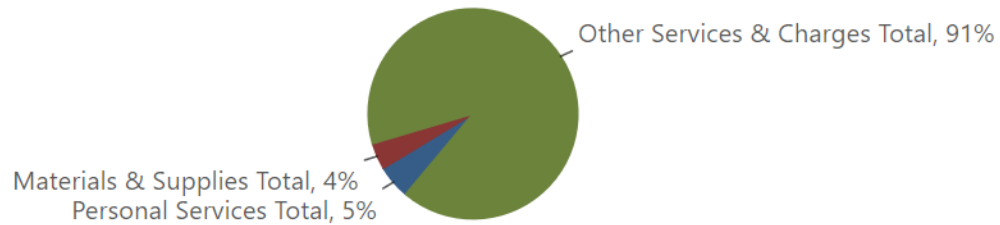
Mobility Services

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	543,899	701,615	747,817	802,919
Payroll Taxes	38,424	53,673	57,208	61,423
Personal Services Total	582,323	755,288	805,025	864,342
Materials & Supplies				
Fuel	(34,015)	633,119	458,457	641,838
Office Supplies	3,185	3,000	8,000	13,000
Operating Supplies	1,644	3,236	2,550	2,625
Other	27,779	8,410	7,000	8,000
Parts	-	12,000	12,000	8,000
Materials & Supplies Total	(1,407)	659,765	488,007	673,463
Other Services & Charges				
Contractual Services	9,315,632	13,270,980	13,648,835	14,966,272
Printing and Advertising	2,864	6,310	6,300	4,895
Professional Services	23,358	-	-	-
Telephone	1,080	1,320	1,320	1,320
Training and Conferences	50	-	-	1,250
Other Services & Charges Total	9,342,984	13,278,610	13,656,455	14,973,737
Grand Total	9,923,900	14,693,663	14,949,487	16,511,542
 Full Time Equivalents	 7.0	 12.0	 13.0	 13.0

Mobility Services

Expenses by Category



Budget Analysis:

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

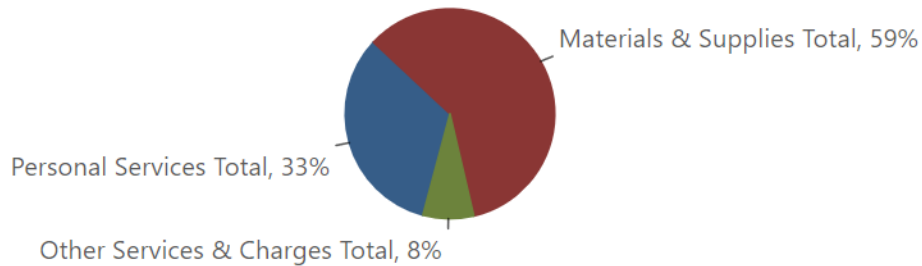
Fleet Services

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	2,445,076	2,160,933	2,119,387	2,288,686
Other Benefits	9,774	29,345	30,578	30,078
Payroll Taxes	177,558	165,312	162,133	175,085
Personal Services Total	2,632,408	2,355,590	2,312,098	2,493,849
Materials & Supplies				
Fuel	3,556,673	3,296,272	3,721,671	4,079,929
Office Supplies	(5,063)	11,827	15,330	16,403
Operating Supplies	18,712	9,451	11,855	12,409
Other	14,978	20,500	23,384	21,360
Parts	570,084	93,099	180,990	386,115
Materials & Supplies Total	4,155,384	3,431,149	3,953,230	4,516,216
Other Services & Charges				
Contractual Services	183,695	286,656	397,127	593,128
Insurance	(495)	-	-	-
Professional Services	6,981	-	-	-
Telephone	864	864	1,728	1,728
Training and Conferences	126	500	-	-
Other Services & Charges Total	191,171	288,020	398,855	594,856
Grand Total	6,978,963	6,074,759	6,664,183	7,604,921
 Full Time Equivalents	 54.5	 57.0	 44.0	 44.0

Fleet Services

Expenses by Category



Budget Analysis:

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

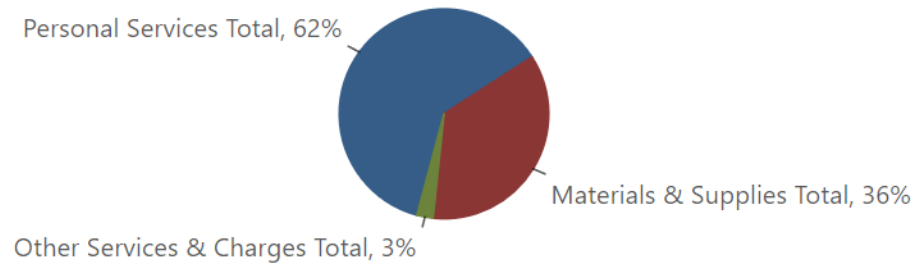
Preventative Maintenance & Repairs

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	5,605,158	5,495,270	6,408,626	8,909,923
Other Benefits	183,465	218,727	152,880	165,348
Payroll Taxes	406,695	420,388	490,260	681,609
Personal Services Total	6,195,318	6,134,385	7,051,766	9,756,880
Materials & Supplies				
Fuel	1,423	76,542	14,926	69,170
Office Supplies	8,633	10,000	10,000	12,000
Operating Supplies	30,124	39,116	40,049	41,011
Other	11,823	138,199	44,186	46,641
Parts	4,518,956	5,472,358	5,246,728	5,486,804
Materials & Supplies Total	4,570,959	5,736,215	5,355,889	5,655,626
Other Services & Charges				
Contractual Services	254,426	363,548	366,263	375,838
Professional Services	3,168	-	-	-
Telephone	1,728	5,184	5,184	5,184
Training and Conferences	905	3,120	-	15,000
Other Services & Charges Total	260,227	371,852	371,447	396,022
Grand Total	11,026,504	12,242,452	12,779,102	15,808,528
 Full Time Equivalents	 97.0	 90.0	 105.0	 127.0

Preventative Maintenance & Repairs

Expenses by Category



Budget Analysis:

- IndyGo's inventory of replacement vehicle parts and tires comprise the entirety of the parts budget for Preventative Maintenance & Repairs. A growing fleet of newer vehicles, especially electric, has resulted in greater budget needs.
- Preventative Maintenance and Repairs maintains a budget for fuel and other fluids, used for non-revenue vehicles and support trucks.
- An increase in staffing for this department, especially in defect mechanics, is necessary to support the fleet and the opening of IndyGo's new garage.

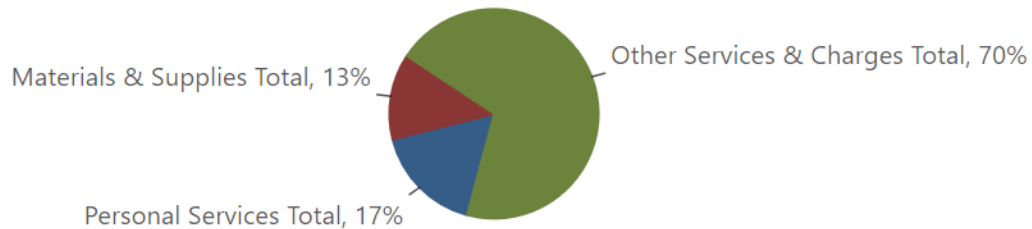
Facility Maintenance

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	967,007	966,622	1,039,377	1,254,850
Other Benefits	4,411	10,000	11,916	13,084
Payroll Taxes	70,804	73,946	79,513	95,996
Personal Services Total	<u>1,042,222</u>	<u>1,050,568</u>	<u>1,130,806</u>	<u>1,363,930</u>
Materials & Supplies				
Fuel	886	13,000	17,500	25,000
Office Supplies	1,992	10,000	5,000	15,000
Operating Supplies	48,818	201,000	252,000	402,000
Other	13,068	5,000	50,000	103,000
Parts	199,096	270,000	330,000	525,000
Materials & Supplies Total	<u>263,860</u>	<u>499,000</u>	<u>654,500</u>	<u>1,070,000</u>
Other Services & Charges				
Contractual Services	2,575,140	2,153,499	3,568,193	3,069,200
Professional Services	374,471	10,000	15,000	40,000
Telephone	588	900	2,592	3,456
Utilities	1,484,360	1,765,000	2,268,000	2,528,500
Other Services & Charges Total	<u>4,434,559</u>	<u>3,929,399</u>	<u>5,853,785</u>	<u>5,641,156</u>
Grand Total	<u>5,740,641</u>	<u>5,478,967</u>	<u>7,639,091</u>	<u>8,075,086</u>
 Full Time Equivalents	 <u>16.0</u>	 <u>16.0</u>	 <u>17.0</u>	 <u>19.0</u>

Facility Maintenance

Expenses by Category



Budget Analysis:

- Contractual services include contracts for facilities and bus stop maintenance, landscaping, and snow removal. Also included is general cleaning and sanitizing/disinfecting of IndyGo facilities.
- Sewer, water, electricity, and natural gas expenses are budgeted in the utilities line item.
- The opening of several new IndyGo facilities represents a large portion of the increased budget amounts in Other Services & Charges. Each of these facilities will also need cleaning, utilities, etc.

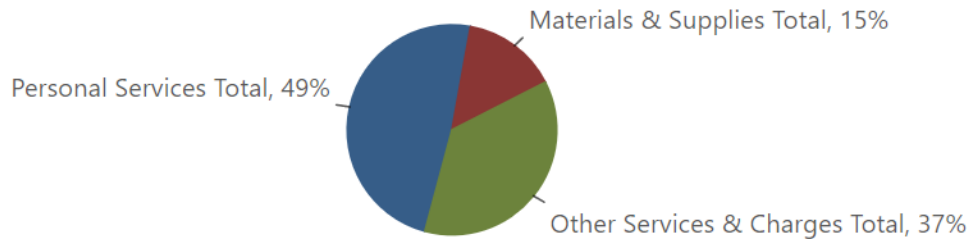
Information Technology

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	1,582,488	1,736,346	1,978,506	2,266,540
Payroll Taxes	116,890	132,830	151,356	173,390
Personal Services Total	1,699,378	1,869,176	2,129,862	2,439,930
Materials & Supplies				
Office Supplies	15,135	7,645	9,000	11,000
Operating Supplies	2,913	5,500	3,500	11,000
Other	395,412	384,725	805,570	713,020
Parts	140	-	-	-
Materials & Supplies Total	413,600	397,870	818,070	735,020
Other Services & Charges				
Contractual Services	717,947	809,574	860,040	1,004,713
Dues and Subscriptions	535	-	-	-
Professional Services	151,468	100,375	54,450	197,450
Telephone	352,538	628,963	499,778	608,278
Training and Conferences	24,794	-	-	27,500
Other Services & Charges Total	1,247,282	1,538,912	1,414,268	1,837,941
Grand Total	3,360,260	3,805,958	4,362,200	5,012,891
 Full Time Equivalents	 26.0	 25.0	 29.0	 30.0

Information Technology

Expenses by Category



Budget Analysis:

- Hardware to support IndyGo's information technology needs is located in IT's materials and supplies budget. This includes items for maintenance of vehicle CAD/AVL and communications equipment.
- Software licensing and other subscription fees are all considered contractual services in this budget.
- IndyGo's internet and cellular services is included in IT's telephone budget. This includes Fixed Route cell phones and Mobility Services tablets.
- Information Technology department will now absorb agency-wide IT Hardware budgets related to PC requests and replacement.

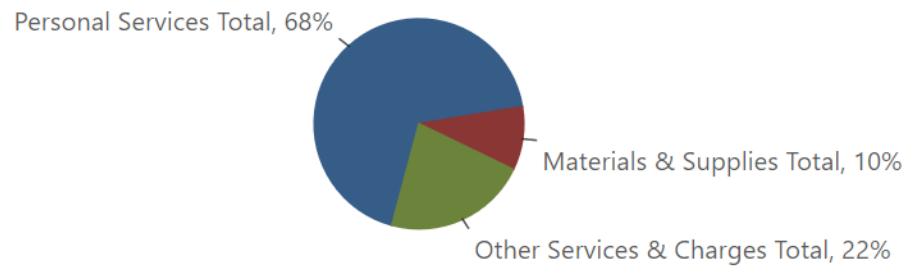
Finance

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	2,085,782	2,913,319	2,754,153	2,949,796
Other Benefits	5,577	16,600	16,600	16,600
Payroll Taxes	151,063	222,868	210,693	225,659
Personal Services Total	2,242,422	3,152,787	2,981,446	3,192,055
Materials & Supplies				
Fuel	42	-	-	-
Office Supplies	15,472	19,100	20,000	20,000
Operating Supplies	169,074	249,281	225,500	225,500
Other	830,972	67,872	10,450	10,450
Parts	615	737,695	500	200,500
Materials & Supplies Total	1,016,175	1,073,948	256,450	456,450
Other Services & Charges				
Contractual Services	1,040,181	1,143,710	999,000	971,880
Dues and Subscriptions	2,066	4,880	2,380	2,380
Insurance	1,350	1,500	1,500	1,500
Printing and Advertising	15,059	11,500	15,000	15,000
Professional Services	47,269	58,125	25,000	25,000
Telephone	1,728	6,048	6,048	6,048
Training and Conferences	9,793	7,751	-	7,550
Other Services & Charges Total	1,117,446	1,233,514	1,048,928	1,029,358
Grand Total	4,376,043	5,460,249	4,286,824	4,677,863
 Full Time Equivalents	 36.0	 34.0	 42.5	 42.5

Finance

Expenses by Category



Budget Analysis:

- Banking fees, armored car service, and payroll fees make up Finance's contractual services budget.
- Replacement parts needed for farebox repairs make up Finance's operating supplies budget.

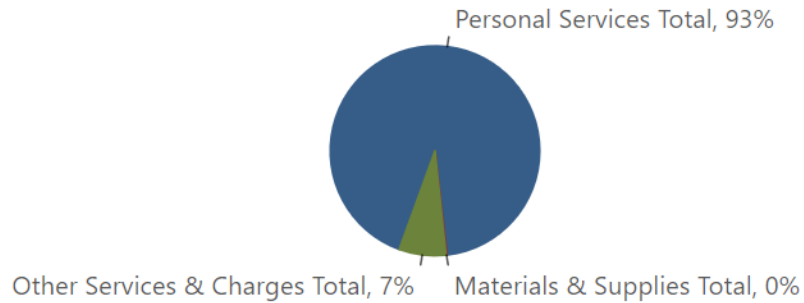
Human Resources

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	791,269	806,104	870,384	936,371
Benefits	11,981,178	12,687,455	13,761,259	14,497,134
Other Benefits	777,457	650,000	1,100,000	1,000,000
Payroll Taxes	57,460	61,667	66,584	71,632
Retirement	1,789,448	2,006,000	1,925,000	2,125,000
Personal Services Total	15,396,812	16,211,226	17,723,227	18,630,137
Materials & Supplies				
Office Supplies	9,715	12,500	12,500	12,500
Operating Supplies	10,183	3,500	3,500	3,500
Other	41,550	17,000	18,000	19,500
Parts	1	-	-	-
Materials & Supplies Total	61,449	33,000	34,000	35,500
Other Services & Charges				
Contractual Services	187,921	151,643	132,834	496,334
Dues and Subscriptions	15,682	2,000	2,000	2,000
Insurance	1,136,155	820,000	845,000	870,000
Printing and Advertising	5,733	25,000	20,000	22,500
Professional Services	24,395	34,908	38,434	57,435
Telephone	720	2,500	2,500	2,500
Training and Conferences	6,999	2,000	-	2,000
Other Services & Charges Total	1,377,605	1,038,051	1,040,768	1,452,769
Grand Total	16,835,866	17,282,277	18,797,995	20,118,406
 Full Time Equivalents	 16.0	 13.0	 13.0	 13.0

Human Resources

Expenses by Category



Budget Analysis:

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

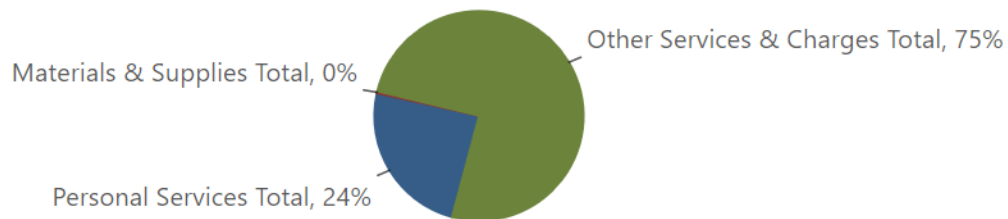
Infrastructure, Strategy, & Innovation

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

	2020 Actual	2021 Adopted Budget	2022 Proposed Budget	2023 Budget Outlook
Personal Services				
Wages	1,298,770	1,006,555	1,012,007	1,086,576
Payroll Taxes	92,807	77,002	77,419	83,123
Personal Services Total	1,391,577	1,083,557	1,089,426	1,169,699
Materials & Supplies				
Office Supplies	6,393	4,200	6,986	7,860
Operating Supplies	1,993	-	-	-
Other	78,440	56,451	10,000	6,300
Parts	53,853	-	-	-
Materials & Supplies Total	140,679	60,651	16,986	14,160
Other Services & Charges				
Contractual Services	2,233,998	2,114,088	2,630,260	2,537,040
Dues and Subscriptions	1,366	2,380	2,430	2,575
Other Services	-	-	-	10,000
Printing and Advertising	31,844	100	4,120	4,340
Professional Services	334,726	615,000	645,000	995,000
Telephone	432	2,556	1,800	1,980
Training and Conferences	1,880	9,100	-	79,740
Other Services & Charges Total	2,604,246	2,743,224	3,283,610	3,630,675
Grand Total	4,136,502	3,887,432	4,390,022	4,814,534
 Full Time Equivalents	 13.0	 12.0	 12.5	 12.5

Infrastructure, Strategy, & Innovation

Expenses by Category



Budget Analysis:

- Contractual services includes on-call planning advisory services and program management support services. Also included is the Red Line's operations & management costs to the Department of Public Works.
- Consulting services for the mobility planning and TOD planning are included within other services and charges.
- Budget for Transit Asset Management baseline assessment, update, and maintenance is included in professional and contracted services.

INCOME TAX REVENUE FUND

Income Tax Revenue Fund

REVENUES - WHERE THE MONEY COMES FROM

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

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

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

Process of Revenue Collection

The Indiana State Budget Agency (the “Budget Agency”) is required to publish an estimate of the statewide total amount of certified distributions before May 1 of every even-numbered year to be made under the LIT Statute during the following calendar year. As it is collected from each county, local income tax revenue is to be deposited in a separate trust account for each county within the State General Fund. Revenue derived from the imposition of the tax is to be distributed to the county that imposed it. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of tax revenue that the Budget Agency determines has been: (1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and (2) reported on an annual return or amended return processed by the Department of Revenue in the State fiscal year ending before July 1 of the calendar year in which the determination is made; as adjusted for refunds of taxes made in the State fiscal year.

Before August 2 of each calendar year, the Budget Agency must provide the Department of Local Government Finance (DLGF) and the county auditor of each adopting county an estimate of the amount that will be distributed to the county, based on known tax rates. Not later than fifteen (15) days after receiving the estimate of the certified distribution, the DLGF is required to determine for each taxing unit and notify the county auditor of the estimated amount of property tax credits, school distributions, public safety revenue, economic development revenue, certified shares, and special purpose revenue that will be distributed to the taxing unit during the ensuing calendar year. Not later than thirty (30) days after receiving the DLGF’s estimate, the county auditor shall notify each taxing unit of the amounts estimated for the taxing unit.

Before October 1 of each calendar year, the Budget Agency shall certify to the DLGF and the county auditor of each adopting county: (1) the amount determined under section 4 of the LIT Statute; and (2) the amount of interest in the county’s account that has accrued and has not been included in a certification made in a preceding year. The amount certified is the county’s certified distribution for the immediately succeeding calendar year. The amount certified shall be adjusted, as necessary, under sections 6, 7, and 8 of the LIT Statute. Not later than fifteen (15) days after receiving the amount of the certified distribution, the DLGF shall determine for each taxing unit and notify the county auditor of the certified amount of property tax credits, school distributions, public safety

Income Tax Revenue Fund

revenue, economic development revenue, certified shares, and special purpose revenue that will be distributed to the taxing unit under the LIT Statute during the ensuing calendar year. Not later than thirty (30) days after receiving the DLGF’s estimate, the county auditor shall notify each taxing unit of the certified amounts for the taxing unit. For purposes of a consolidated city, a taxing unit includes the consolidated city and all special taxing districts, all special service districts, and all entities whose budgets and property tax levies are subject to review under IC 36-3-6-9.

Upon receipt, each monthly payment of a county's certified distribution or supplemental distribution shall be allocated and distributed to the appropriate entities in accordance with the LIT Statute and the allocation ordinances adopted by each adopting body. The following table provides the total Marion County adjusted gross income collections per tax year.

Beginning January 1, 2018, IndyGo started receiving monthly distributions of Transit Income Tax Revenue. 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.

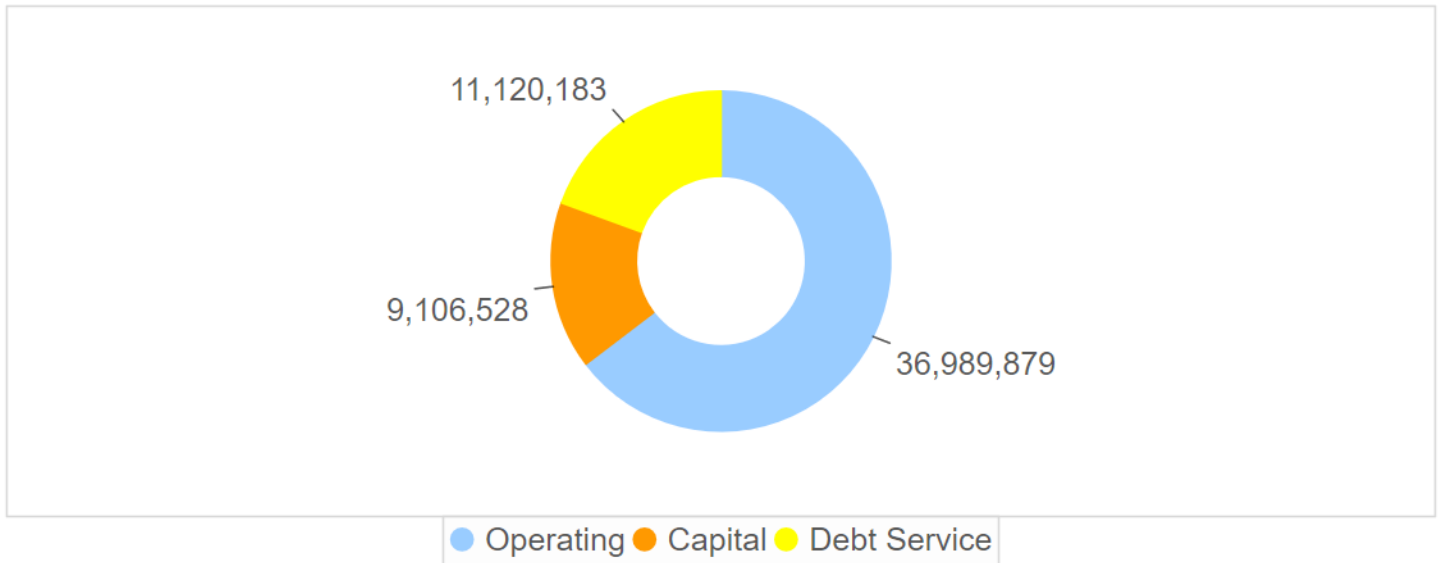
Appropriations out of the Transit Income Tax are expected to be \$57.2 million for 2022.

USES OF REVENUE - WHERE THE MONEY GOES

The following chart represents IPTC’s plan for the utilization of the 2022 Income Tax Revenue Funding at a \$123.3 million operating budget, capital budget and debt service budget.

	2022	2023
Operating	\$ 36,989,879	\$ 37,265,787
Capital	9,106,528	9,174,453
Debt Service	11,120,183	10,776,350
Total Local Transit Income Tax	<u><u>\$ 57,216,590</u></u>	<u><u>\$ 57,216,590</u></u>

Income Tax Revenue Fund



DEBT SERVICE

Debt Service Fund

Series 2018A Bonds

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

The Indianapolis Local Public Improvement Bond Bank Local Income Tax Revenue Bonds, Series 2018A, dated November 21, 2018, were issued in the aggregate principal amount of \$26,000,000. The Series 2018A bond proceeds are planned to be used for IPTC's rapid transit plan as well as paratransit infrastructure and bus replacement. The bonds bear interest at 5.0%, payable on January 15 and July 1 annually, beginning in 2019 and ending January 15, 2028. The trust indenture includes minimum debt service reserve requirements to be held on deposit.

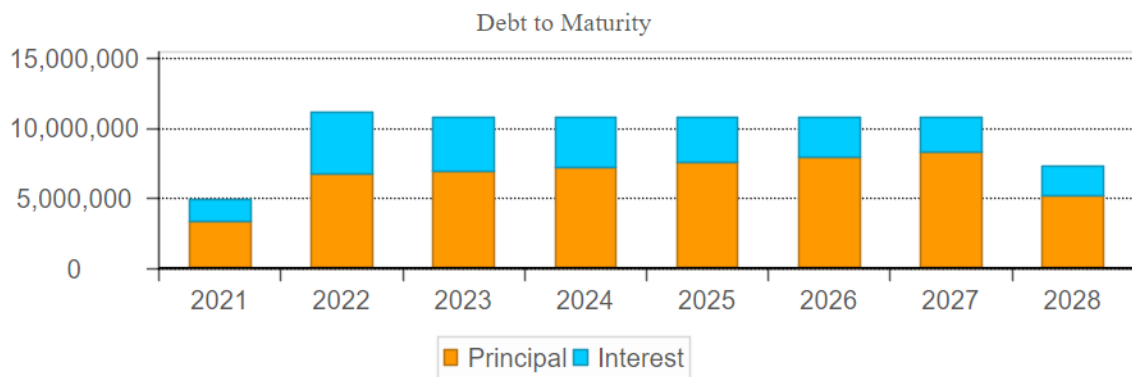
Series 2021D Bonds

On July 27, 2020, the Board of Directors of the Indianapolis Public Transportation Corporation (IPTC) adopted Ordinance No. 2020-01 authorizing the issuance of the Qualified Obligations for the purpose of providing funds to (i) procure twenty-seven (27) 40-Foot Hybrid low floor buses to be utilized within the City and Marion County. On August 10, 2020, the City-County Council (i) approved the issuance of the Qualified Obligations by the IPTC and (ii) pledged by Special Ordinance No. 5, 2020, and pursuant to IC 8-25-3-7 and IC 5-1-14-4, the Transportation LIT Revenues to the IPTC for the payment of principal and interest on the Qualified Obligations on a parity with the IPTC Local Income Tax Revenue Bonds, Series 2018A. The principal of and interest on the Qualified Obligations will be payable from the Transportation LIT Revenues on a parity with the Prior Qualified Obligations. The Project is in furtherance of the Capital Plan. The bonds bear interest at 4.0%, payable on January 15 and July 1 annually, beginning in 2021 and ending January 15, 2033. The trust indenture includes minimum debt service reserve requirements to be held on deposit.

IndyGo carries a standalone AA- rating from S&P Global credit rating agency. IndyGo anticipates future financings in late 2021 or early 2022 to fund approximately \$65 million of projects such as bus purchases and facility improvements.

Debt Service Fund

	Principal	Interest	Total
2021	\$ 3,410,000	\$ 1,477,666	\$ 4,887,666
2022	6,780,000	4,340,183	11,120,183
2023	6,905,000	3,871,350	10,776,350
2024	7,240,000	3,537,600	10,777,600
2025	7,595,000	3,187,275	10,782,275
2026	7,965,000	2,819,850	10,784,850
2027	8,345,000	2,434,475	10,779,475
2028	5,215,000	2,074,050	7,289,050
2029 - 2041	39,485,000	9,277,425	48,762,425
Total	\$ 92,940,000	\$ 33,019,874	\$ 125,959,874



IndyGo anticipates a possible future financing in 2022 or 2023 to fund approximately \$65 million of projects to advance the Blue line Bus Rapid Transit Project. Any such financing is conditional, subject to market conditions, and is at the absolute discretion of the Qualified Entity.

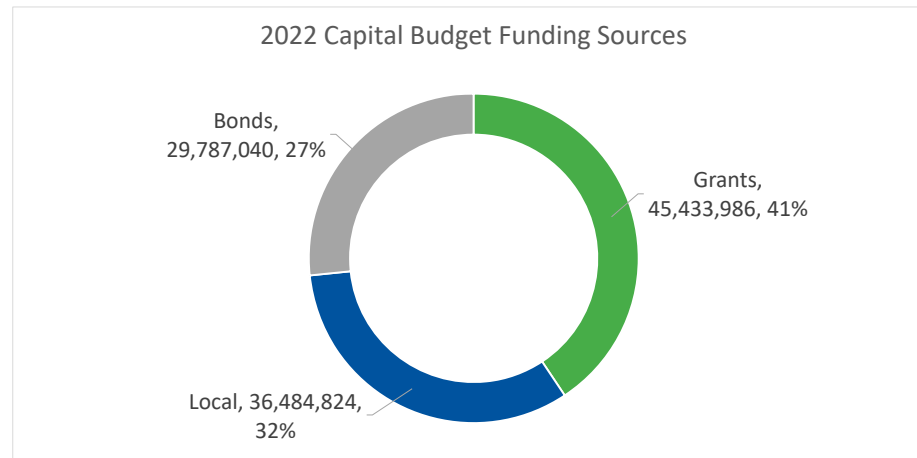
CAPITAL IMPROVEMENT PROGRAM

Indianapolis Public Transportation Corporation
2022 Proposed Capital Improvement Program

Project	2022	2023	2024	2025	2026	5 Year CIP Total
BRT and On-Street Infrastructure	70,937,450	74,567,800	104,437,865	89,500,000	42,061,000	381,504,115
30th Street Two-way Conversion Project (Construction)	0	2,150,000	0	0	0	2,150,000
Blue Line BRT	5,746,450	5,707,800	86,850,000	86,850,000	38,961,000	224,115,250
Michigan Street Two-way Conversion Project (Construction)	0	4,350,000	0	0	0	4,350,000
Purple Line BRT	57,900,000	57,900,000	10,037,865	0	0	125,837,865
Red Line Phase II & III (to County Line)	0	0	1,750,000	1,750,000	2,200,000	5,700,000
Red Line Signal Modifications - APB and BRT	345,000	0	0	0	0	345,000
Rub Rails	580,000	0	0	0	0	580,000
Rural Street Underpass Clearance (Construction)	0	1,710,000	4,900,000	0	0	6,610,000
Rural Street Underpass Clearance (Design and NEPA)	710,000	0	0	0	0	710,000
South Madison Park and Ride	350,000	1,850,000	0	0	0	2,200,000
Super Stops 1.0 Delaware Street & 2-way conversion of Ft Wayne (Delaware to Alabama)	70,000	0	0	0	0	70,000
Super Stops 2.0 Alabama, Ft Wayne and Vermont Stations, 2 each.	2,886,000	0	0	0	0	2,886,000
Transit Signal Priority (Installation)	1,450,000	0	0	0	0	1,450,000
Transit Stop Amenities: Shelters, Signs, Benches & Construction	900,000	900,000	900,000	900,000	900,000	4,500,000
Facilities	22,834,250	738,000	365,000	22,500	0	23,959,750
1501 - Exterior Door Replacement (formerly Security Upgrades / Enhanced Security)	93,185	0	0	0	0	93,185
1501 - Garage Conversion, AC to DC	2,721,270	0	0	0	0	2,721,270
1501 - Security Door Upgrades	400,000	0	0	0	0	400,000
CNC Mill	0	0	65,000	0	0	65,000
CTC - Level Boarding and In-ground Charging	570,000	0	0	0	0	570,000
CTC - Lounge / Office Renovations	125,000	0	0	0	0	125,000
East Campus - Facilities	17,520,040	0	0	0	0	17,520,040
Fuel Management System Upgrade	401,755	0	0	0	0	401,755
Fuel Piping	0	400,000	0	0	0	400,000
Golf Carts Replacement	0	0	0	22,500	0	22,500
Maintenance Heavy Equipment Replacement	300,000	300,000	300,000	0	0	900,000
Metal Breaks	0	10,000	0	0	0	10,000
Steam Cleaner (Hotsey)	25,000	0	0	0	0	25,000
Tire Bay Demolition	250,000	0	0	0	0	250,000
Utility Vehicle/ATV	28,000	0	0	0	0	28,000
Veeder Root	50,000	0	0	0	0	50,000
Wall Repair	350,000	0	0	0	0	350,000
Zero Turn Mower	0	28,000	0	0	0	28,000

**Indianapolis Public Transportation Corporation
2022 Proposed Capital Improvement Program**

Project	2022	2023	2024	2025	2026	5 Year CIP Total
Finance	382,500	390,150	397,953	0	0	1,170,603
Farebox Maintenance / Replacement	382,500	390,150	397,953	0	0	1,170,603
Fleet	15,997,000	31,906,091	17,649,091	18,148,814	19,706,963	103,407,959
Fixed-Route Bus Replacement, BYD Electric Buses for Purple Line 2022	14,267,000	14,267,000	0	0	0	28,534,000
Fixed-Route Bus Replacement/Expansion, 40' Buses	0	15,824,091	15,824,091	16,298,814	17,906,963	65,853,959
Paratransit Bus Replacement	1,450,000	1,500,000	1,550,000	1,550,000	1,550,000	7,600,000
Support Vehicle Replacement	280,000	315,000	275,000	300,000	250,000	1,420,000
Information Technology	1,527,000	8,895,000	25,000	20,000	20,000	10,487,000
Mobility Concierge	240,000	0	0	0	0	240,000
Radio Equipment & Accessories	32,000	25,000	25,000	20,000	20,000	122,000
Vehicle CCTV Replacement	1,255,000	0	0	0	0	1,255,000
Vehicle Communication Replacement	0	420,000	0	0	0	420,000
Vehicle ITS Replacement	0	8,450,000	0	0	0	8,450,000
Safety and Security	27,650	0	0	0	0	27,650
East Campus - Security, Visitor Management	27,650	0	0	0	0	27,650
Grand Total	111,705,850	116,497,041	122,874,909	107,691,314	61,787,963	520,557,077



GLOSSARY

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

INDOT - Indiana Department of Transportation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Referendum - A vote by the people.

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

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

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

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

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

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