



Minnesota Regional Transit
Board: Records.

Copyright Notice:

This material may be protected by copyright law (U.S. Code, Title 17). Researchers are liable for any infringement. For more information, visit www.mnhs.org/copyright.



REGIONAL TRANSIT BOARD

Mears Park Centre
230 East 5th Street
St. Paul, Minnesota 55101
612/292-8789

MEETING NOTICE

Regional Transit Board and Metropolitan Transit Commission Joint Meeting

Monday, December 17, 1990
Mears Park Centre Chambers
3:00 p.m.

The RTB and MTC will meet to discuss issues of mutual concern regarding the Metropolitan Transit Commission's Operating and Capital Budgets.

Michael J. Ehrlichmann
Chair

REGIONAL TRANSIT BOARD
ROLL CALL AND ATTENDANCE SHEET

DATE: _____

BOARD OR COMMITTEE: _____

Member Name	Present	Vote	Vote	Vote	Vote	Vote	Vote	Vote	Vote
		Meet 12/27							
Mike Ehrlichmann	✓								
Doris Caranicas (P)	✓								
John Finley (A&F)	✓								
Ruth Franklin (A&F)	✓								
Ed Kranz (A&F)	✓								
Sandra Hilary (P)	✓	ms							
Terry O'Toole (P)	✓								
Jeff Spartz (Chair-P)	✓								
Norbert Theis (P)	✓								
El Tinklenberg (Chair-A)	.								
Richard Wedell (A&F)	✓								

Visitors

C.F. | Judy
 BN | Christina
 TP | Morgan Grant
 | Henry Olson
 | Ben Auld
 | And Brent
 | Arnie City
 | Bob Thompson
 | Peter Vanderpool
 Weaves
 de Vries
 Mary O'Hara

Staff

SM, GA, JH HB, DU

FRINGE BENEFIT COMPARISON - INCREASES OVER +3.75%

1990 ESTIMATED ACTUAL AND 1991 PROPOSED BUDGET

[EXPLANATION OF COMPARATIVE FRINGE BENEFIT ANALYSIS: 1991 PROPOSED BUDGET 25-SEP-90 (PAGE A-10)]

Estimated 1990 fringe benefits [\$30,223,000] increased \$1,997,000 or 6.6% in the 1991 proposed budget [\$32,200,000]. Medical insurance, vacations, and workers compensation account for 75% of the nearly 2 million increase. Summary and detailed explanations are provided below.

DOLLARS IN THOUSANDS

	25-SEP-90 1990 ESTIMATED ACTUAL	25-SEP-90 1991 PROPOSED BUDGET	\$ INCREASE (DECREASE)	% INCREASE (DECREASE)
1.) MEDICAL/DENTAL INSURANCE	\$7,456	\$8,180	\$724	9.7%
2.) VACATION EXPENSE	\$4,423	\$4,941	\$518	11.7%
3.) WORKERS COMPENSATION	\$4,752	\$4,990	\$238	5.0%
SUB-TOTAL FRINGE BENEFITS	\$16,631	\$18,111	\$1,480	8.9%
ALL OTHER FRINGE BENEFITS	\$13,592	\$14,089	\$497	3.7%
TOTAL FRINGE BENEFITS	\$30,223	\$32,200	\$1,977	6.5%

1.) HOSPITAL/MEDICAL AND DENTAL INSURANCE

The MTC hospital insurance carriers are increasing 1991 rates by 15 to 20%. The MTC's share of the increases is growing at a 6.1% annual rate. Also, in 1990 Mass. Mutual medical reserves were reduced - on a one time basis - due to a 27% drop in active union participants [664 to 483] and a 17% drop in reserve rates [\$997 to \$825].

HOSPITAL/MEDICAL AND
DENTAL INSURANCE:

	1990 ESTIMATE	1991 BUDGET	\$ CHANGE	% CHANGE
Hospital/dental insurance - active employees	\$6,930	\$7,353	\$423	6.1%
Hospital insurance - retired employees	\$722	\$827	\$105	14.5%
Sub-Total	7652	8180	\$528	6.9%

A one time adjustment was made to lower hospital insurance reserves [Mass. Mutual only]

	(\$196)	\$0	\$196	-100.0%
Total	\$7,456	\$8,180	\$724	9.7%

2.) VACATION EXPENSE

1990 Vacation Expense [\$4.4 million] increased by \$518,000 or 11.7% in the proposed 1991 budget [\$4.9 million]. A more senior workforce makes employees eligible for more weeks of vacation (average is up about 10%) and at a higher wage rate (progression to top union pay rates).

	1990 ESTIMATE	1991 BUDGET	\$ CHANGE	% CHANGE
VACATION EXPENSE	\$4,423	\$4,941	\$518	11.7%

3.) WORKERS COMPENSATION

Workers Comp. costs for 1990 [\$4.75 million] are projected to increase \$238,000 or 5% in 1991 [\$5.0 million]. Increases are due to payments for medical treatments and lost wages.

	1990 ESTIMATE	1991 BUDGET	\$ CHANGE	% CHANGE
WORKERS COMPENSATION	\$4,752	\$4,990	\$238	5.0%

METROPOLITAN TRANSIT COMMISSION

07-Dec-90

BUDGET INFORMATION REQUESTED:

- o EMPLOYER SHARE OF HOSPITALIZATION INSURANCE PAID IN 1990 AND 1991

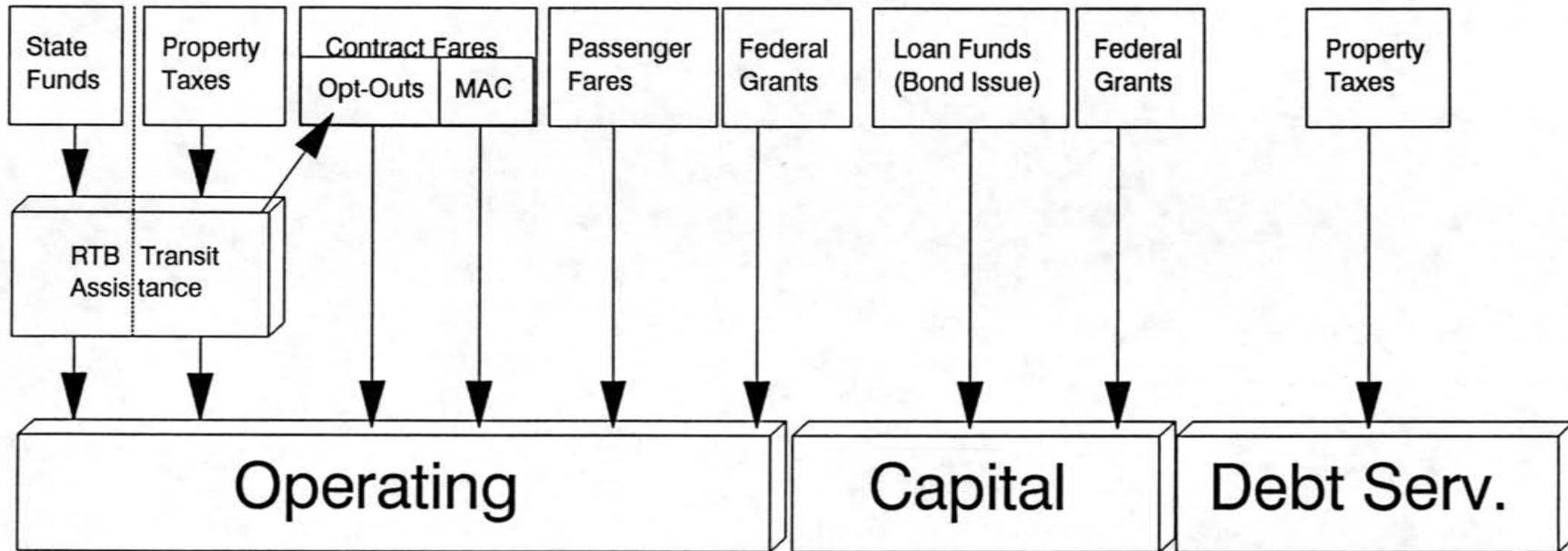
SUMMARY:

- o THE MTC PAYS THE COST OF SINGLE INSURANCE FOR ALL OF ITS EMPLOYEES
- o THE MTC PAYS PART OF THE COST OF FAMILY INSURANCE FOR ITS EMPLOYEES BASED ON LABOR CONTRACT (UNIONIZED) AND ADMIN. REG.'S (NON-UNIONIZED)
- o THE MTC PAYS 2/3 OF THE COST OF RETIREES' INSURANCE

1) DETAILED MONTHLY COST BREAKDOWN FOR FAMILY POLICIES FOR ACTIVE EMPLOYEES:

EMPLOYEE STATUS	100% PAID BASE	MTC SHARE OF ANY ADDED	(AVERAGE HMO FAMILY POLICY) TOTAL PAID BY MTC	EMPLOYEE SHARE
1990				
UNIONIZED-ACTIVE	\$318.78	50%	\$318.37	\$2.30
NON-UNIONIZED-ACTIVE	\$270.00	0%	\$270.00	\$43.26
1991				
UNIONIZED-ACTIVE	\$318.78	50%	\$343.79	\$25.01
NON-UNIONIZED-ACTIVE	\$290.00	0%	\$290.00	\$76.82
INCREASE 1991 OVER 1990				
UNIONIZED-ACTIVE			\$25.42	\$22.71
NON-UNIONIZED-ACTIVE			\$20.00	\$33.57

FINANCING TRANSIT AT THE MTC



Pay for Operating Programs

- Fixed Route
- Other Bus
- Light Rail
- Special Transit
 - Metro Mob Admin. Ctr
 - Minn. Rideshare
- Overhead

Pay for Capital Purchase

- Fleet Improvements
- MTC Facilities
- Public Facilities
- Computerization
- Equipment

Repay Capital Loans

- Principal
- Interest

MTC 1991 PROPOSED OPERATING BUDGET

RESOURCE DEPLOYMENT: SHOWING PEOPLE AND DOLLARS BY FUNCTION

<i>FUNCTION</i>	FULL-TIME PEOPLE	%	PART-TIME AS FTE'S	DOLLARS (000'S) (W/O INDSRV&DP)	%
SERVICES FOR CUSTOMERS					
DRIVE BUSES	1,162.8		110.2	\$55,377.8	
MAINTAIN BUSES	326.0			\$28,762.7	
CLEAN BUSES	43.0			\$1,516.0	
TRANSIT INFORMATION CENTER	38.0			\$1,264.0	
METRO MOBILITY ADMIN. CENTER	17.0			\$948.0	
MAINTAIN/CLEAN BUS SHELTERS	12.0			\$701.0	
TRANSIT STORES & CONVENIENCE FARES	9.0			\$474.0	
MINNESOTA RIDESHARE	8.0			\$576.0	
CUSTOMER RELATIONS	5.0			\$231.0	
MAINTAIN RADIOS/ELECTRONICS	5.0			\$395.0	
POLICE SECURITY	2.5		16.0	\$1,051.0	
TOTAL SERVICES FOR CUSTOMERS	1,628.3	80%	126.2	\$91,296.5	77%
INTERNAL SUPPORT FUNCTIONS					
SUPERVISE/SUPPORT DRIVING BUS	91.0			\$6,677.2	
SUPERVISE/SUPPORT EQUIP. MAINT	49.0			\$2,304.3	
CENTRAL INVENTORY/STORES	24.0			\$1,241.0	
INFO SERV(DIR,DATA CTR,TECH SUP,APPLIC,OFFICE)	22.0			\$1,818.0	
FINANCE BAL(DIR,ACCTNG,BDGTNG,GRANTS,PURCH,TR)	22.0		0.7	\$1,082.0	
REVENUE SECURITY/MONEY COUNTING	21.5			\$890.0	
SERVICE PLANNING & SCHEDULING	20.0			\$923.0	
MAINTAIN BUILDINGS	19.0			\$1,259.0	
RISK MGMT (GEN'L LIAB, WORK COMP, SAFETY)	19.0			\$3,554.0	
CLEAN BUILDINGS	18.0			\$690.0	
PAYROLL	18.0			\$666.0	
HUMAN RES. (STAFFING,COMP,BENEFITS,TRAINING)	18.0			\$1,225.0	
MARKETING/COMMUNICATION & GRAPHICS	9.0			\$1,560.0	
SUPERVISE/SUPPORT ENG & FACIL, CAP PROJ	8.0			\$330.0	
ACCOUNTS PAYABLE & RECEIVABLE	7.0			\$293.0	
REVENUE & PASSENGER ACCOUNTING	7.0			\$264.0	
SUPERVISE MTC=EXECUTIVE	5.5			\$719.0	
SERVICE VEHICLE MAINT/WARRANTY SHOP	5.0			\$287.0	
RESEARCH & SUPERVISE P. D. & C. DIVISION	5.0			\$265.0	
INTERNAL AUDIT	3.0			\$151.0	
EQUAL EMPLOYMENT OPPORTUNITY/AFFIRM. ACTION	2.5		3.3	\$211.0	
COMMISSION	1.0			\$149.0	
TOTAL INTERNAL SUPPORT FUNCTIONS	394.5	20%	3.9	\$26,558.5	23%
TOTAL MTC	2,022.8		130.2	\$117,855.0	

**Metropolitan Transit Commission
Revenue & Expense Forecast 1991-1993**

Scenario: **Constant Fares 1992 & 1993**

- Passenger fares increase in 1991, remain constant in 1992 & 1993.
- MTC's 1991 budget reduced to comply with RTB's 1991 budget transit assistance.
- Property tax & state appropriation based upon RTB's 1991 budget and 1992 - 1993 legislative request.
- MTC's expenses and property taxes increase 5% during 1992 & 1993.

	<u>1991</u>	<u>1992</u>	<u>1993</u>
<u>Operating Revenue</u>			
Passenger Fares	\$ 36,717	\$ 37,140	\$ 37,140
Contract Revenue	5,664	5,780	5,930
Other Revenue	1,893	1,960	2,030
Total Operating Revenue	\$ 44,274	\$ 44,880	\$ 45,100
Operating Expenses	\$ 116,095	\$ 122,028	\$ 128,130
Net Operating Loss	\$ (71,821)	\$ (77,148)	\$ (83,030)
<u>Non-Operating Revenue</u>			
Property Tax	\$ 54,049	\$ 56,752	\$ 59,590
State	8,182	6,579	5,927
MMAC & Mn Rideshare	1,440	1,512	1,588
Job Seekers	350	350	350
New Service	361	722	722
Total RTB Assistance	\$ 64,382	\$ 65,915	\$ 68,177
Federal Section 9	\$ 7,439	\$ 7,440	\$ 7,440
Total Non-Operating Revenue	\$ 71,821	\$ 73,355	\$ 75,617
Deficit	\$ 0	\$ (3,793)	\$ (7,413)

Peak Buses	826	801-796	756-741
Service Reduction (Peak Buses)		25-30	45-55
Ridership Reduction (000's Omitted)		1,750-2,250	3,150-4,125

RTB Funding for Metropolitan Transit Programs

Scenario: **Fare Increases 1992 & 1993**

- Fare increases in 1991 - 1993.
- MTC's 1991 budget reduced to comply with RTB's 1991 budget transit assistance.
- Property tax & state appropriation based upon RTB's 1991 budget and 1992 - 1993 legislative request.
- MTC's expenses and property taxes increase 5% during 1992 & 1993.

	<u>1991</u>	<u>1992</u>	<u>1993</u>
<u>Operating Revenue</u>			
Passenger Fares	\$ 36,717	\$ 40,933	\$ 44,553
Contract Revenue	5,664	5,780	5,930
Other Revenue	1,893	1,960	2,030
Total Operating Revenue	\$ 44,274	\$ 48,673	\$ 52,513
Operating Expenses	\$ 116,095	\$ 122,028	\$ 128,130
Net Operating Loss	\$ (71,821)	\$ (73,355)	\$ (75,617)
<u>Non-Operating Revenue</u>			
Property Tax	\$ 54,049	\$ 56,752	\$ 59,590
State	8,182	6,579	5,927
MMAC & Mn Rideshare	1,440	1,512	1,588
Job Seekers	350	350	350
New Service	361	722	722
Total RTB Assistance	\$ 64,382	\$ 65,915	\$ 68,177
Federal Section 9	\$ 7,439	\$ 7,440	\$ 7,440
Total Non-Operating Revenue	\$ 71,821	\$ 73,355	\$ 75,617
Deficit	\$ 0	\$ 0	\$ 0

Base Fares (Base/Peak) -Cash	85¢/\$1.10	\$1.00/\$1.25	\$1.20/\$1.45
	-Ticket 55¢/80¢	70¢/95¢	85¢/\$1.10
% Increase Base Fares		11.8%	10.5%
Ridership Reduction		2 -3 %	2 -3 %

**Metropolitan Transit Commission
Proposed 1991 Operating Budget Reductions**

1991 Budget as Submitted	\$ 117,855,000
High Subsidy Service	<u>241,000</u>
Adjusted 1991 Budget	\$ 118,096,000
1991 Projected Maximum Expenditures	\$ <u>116,095,000</u>
1991 Reduction Required	\$ <u><u>2,001,000</u></u>

Proposed 1991 Operating Budget Reductions

Elimination of New I-394 & S.W. Corridor Service		\$ 361,000
Implement Midday Bus Storage		\$ 150,000
Administration Divisions:		
Overtime	\$ 61,900	
Professional & Technical Fees	90,000	
Wellness & Recognition Programs	87,900	
Miscellaneous Expenses	<u>14,100</u>	\$ 253,900
Operations Divisions:		
Overtime	\$ 320,500	
Employee Recognition Programs	98,200	
Professional & Technical Fees	57,800	
Materials & Supplies	28,400	
Travel	11,300	
Temporary Help	15,000	
Miscellaneous Expenses	<u>19,300</u>	\$ 550,500
Staff Reductions:		
Unfilled Positions & Layoffs		\$ 645,600
Elimination of Minority Intern Program		<u>\$ 40,000</u>
		<u><u>\$ 2,001,000</u></u>

RTB Funding for Metropolitan Transit Programs

Program	Current Appropriations	Same Level Legislative Request	
	F/Y 1991	F/Y1992	F/Y 1993
Regular Route	\$10,504,000	\$10,504,000	\$10,504,000
Metro Mobility	10,003,000	10,003,000	10,003,000
Small Urban and Rural	919,000	919,000	919,000
RTB Agency Operations	1,350,000	1,350,000	1,350,000
Total	\$22,776,000	\$22,776,000	\$22,776,000

Program	RTB Proposed Legislative Request		CHANGES	
	F/Y 1992	F/Y 1993		
Regular Route	\$7,374,000	\$6,054,000	(3,130,000)	(4,450,000)
Metro Mobility	13,133,000	13,953,000	3,130,000	3,950,000
Small Urban and Rural	919,000	919,000	0	0
RTB Agency Operations	1,350,000	1,850,000	0	500
Total	\$22,776,000	\$22,776,000		

Proposal - Use of Metro MVET Funds ¹

Program	MTC Proposed Legislative Request		F/Y 1992 F/Y 1993	
	F/Y 1992	F/Y 1993		
Regular Route	*\$10,132,000	**\$9,312,000	(372,000)	(1,192,000)
Metro Mobility	13,133,000	13,953,000	3,130,000	3,950,000
Small Urban and Rural	919,000	919,000	0	0
RTB Agency Operations	1,350,000	1,350,000	0	500
Total	\$25,534,000	\$25,534,000		

* (92 = 2,758,000 (MVET) + 7,374,000 general fund) = 10,132,000

** (93 = 2,758,000 (MVET) + 6,554,000 general fund) = 9,312,000

¹In 1991 total Metro MVET funds are used as follows:

14,617,000	To RTB
<u>2,758,000</u>	Thru MnDot for RTB LRT Planning Grants
Total	17,375,000