

RSU No. 5
Transportation Analysis
Presented to the Board of Directors on January 27, 2010

Option 1 Lease 2 Buses To Replace Expiring Lease Contract
Option 2 Contract All Transportation - Beginning 2011-2012
Option 3 Contract All Transportation - Beginning 2010-2011

Option 1

(Need created by the completion of current lease contract)

Lease 2 Buses to replace expiring lease contract

| <u>Current Drivers</u> | <u>Option 1 - Drivers</u> |
|---|---|
| 9.833 FTE Employed (based on 30 hr week position being full time) 6 Contracted | 9.833 FTE Employed (based on 30 hr week position being full time) 6 Contracted |
| <u>Current Buses</u> | <u>Option 1 - Buses</u> |
| 14 Owned 3 Leased 6 Contracted | 14 Owned 2 Leased 6 Contracted |

| | <u>2009-2010</u> | <u>2010-2011</u> |
|---|------------------|---|
| <u>Budget Impact</u> | | |
| Current Lease Contract 3 Buses 2009-2010 | \$ 34,850 | |
| New Lease Contract 2 Buses 2010-2011 | | \$ 36,000 |
| Net Increase / (Decrease) Annually - Option 1 | | \$ 1,150 |
| Total Transportation Budget | \$ 1,055,876 | \$ 1,076,342 (3% Multiplier 09-10 + increase of \$1,150) |

This option would reduce the need to purchase 3 buses or lease 3 buses/ but also creates a reduction of 1 spare bus for the system

Option 2

Contract All Transportation - Beginning 2011-2012

| | |
|--|--|
| <u>Current Drivers</u> 9.833 FTE Employed - or 12 staff members (based on 30 hr week position being full time) 6 Contracted (Current contract thru June 2011) | <u>Option 2 - Drivers</u> 0 Employed 15.833 FTE Contracted (based on 30 hr wk) |
| <u>Current Buses</u> 14 Owned 3 Leased 6 Contracted | <u>Option 2 - Buses</u> 0 Owned Buses 0 Leased 22 Contracted |

Budget Impact

| | 6 Year Comparison | 2011-2012 | 2012-2013 | 2013-2014 | 2014-2015 | 2015-2016 | 2016-2017 |
|---|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Budget [Base year 2009-2010 - 3% multiplier used each year] | \$ 7,163,428 | \$ 1,107,448 | \$ 1,140,671 | \$ 1,174,892 | \$ 1,210,138 | \$ 1,246,443 | \$ 1,283,836 |
| Contractor Quote 3% multiplier used each year | \$ 7,111,468 | \$ 1,098,863 | \$ 1,130,919 | \$ 1,165,790 | \$ 1,201,749 | \$ 1,238,496 | \$ 1,275,651 |
| Net Increase/(Decrease) Before Bus Credit | \$ (51,960) | \$ (8,585) | \$ (9,752) | \$ (9,102) | \$ (8,389) | \$ (7,947) | \$ (8,185) |
| Contractor Purchases Buses (14) | \$ (377,500) | \$ (75,500) | \$ (75,500) | \$ (75,500) | \$ (75,500) | \$ (75,500) | \$ - |
| Net Savings - Option 2 | \$ (429,460) | \$ (84,085) | \$ (85,252) | \$ (84,602) | \$ (83,889) | \$ (83,447) | \$ (8,185) |
| Capital Plan Reduction - Potential Decrease of Future Anticipated Costs | \$ (390,000) | \$ - | \$ (78,000) | \$ (78,000) | \$ (78,000) | \$ (78,000) | \$ (78,000) |
| Net Impact - Option 2 | \$ (819,460) | \$ (84,085) | \$ (163,252) | \$ (162,602) | \$ (161,889) | \$ (161,447) | \$ (86,185) |

final year of bus lease
purchase payment

| Base Year Budget 2009-2010 | 2009-2010 | 2010-2011 |
|--|--------------|-----------|
| Salary/ Benefits* | \$ 455,493 | |
| Purchased Repair and Maintenance - Body work repairs / tires etc | \$ 28,200 | |
| Bus Garage Lease - (Freeport) | \$ 10,800 | |
| Insurance - Buses | \$ 5,974 | |
| Fleet Fuel | \$ 96,351 | |
| Transportation Supplies and Parts - in-house repairs | \$ 24,000 | |
| Bus Lease Purchase | \$ 53,876 | |
| Contracted / Leased Transportation Services | \$ 381,182 | |
| Total 2009-2010 RSU No. 5 Transportation Budget | \$ 1,055,876 | |
| Less - Other Vehicle Costs (Trucks, Vans) | \$ (12,000) | |
| Net Transportation Costs for School Buses | \$ 1,043,876 | |

(+3% anticipated)
\$ 1,075,192
Including Option 1 for
1 year = \$1,076,342

*Director Salary will be moved to Maintenance, with savings from an unfilled position, decreased overtime needs (due to custodians no longer driving, thereby reducing their overtime usage) and lease payment reductions from bus purchases.

Other Considerations
 Depreciated Value of Buses
 No Owned Buses RSU No 5 2011-2012
 Eliminate Proposed Capital Bus Purchase
 Replacement Schedule (of approximately \$78,000 per year)

Eliminate annual salary / benefit budget impacts and volatility of fuel costs
 Bus replacements costs continuing to rise

Option 3

Contract All Transportation - Beginning 2010-2011

| | |
|--|--|
| <u>Current Drivers</u> 9.833 FTE Employed - or 12 staff members (based on 30 hr week position being full time) 6 Contracted (Current contract thru June 2011) | <u>Option 3 - Drivers</u> 0 Employed 15.833 FTE Contracted (based on 30 hr wk) |
| <u>Current Buses</u> 14 Owned 3 Leased 6 Contracted | <u>Option 3 - Buses</u> 0 Owned Buses 0 Leased 22 Contracted |

| <u>Budget Impact</u> | 6 Year Comparison | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 | 2014-2015 | 2015-2016 |
|---|-------------------|-------------------------------|---|--------------|--------------|--------------|--------------|
| Budget [Base year 2009-2010 - 3% multiplier used each year] | \$ 6,954,784 | \$ 1,075,192 | \$ 1,107,448 | \$ 1,140,671 | \$ 1,174,892 | \$ 1,210,138 | \$ 1,246,443 |
| Contractor Quote - (Current Contract + New Contract) | \$ 6,937,043 | \$ 1,101,226 | \$ 1,098,863 | \$ 1,130,919 | \$ 1,165,790 | \$ 1,201,749 | \$ 1,238,496 |
| Net Increase/(Decrease) Before Bus Credit | \$ (30,472) | \$ 26,034 | \$ (21,316) | \$ (9,752) | \$ (9,102) | \$ (8,389) | \$ (7,947) |
| Contractor Purchases Buses (14) | \$ (377,500) | \$ (75,500) | \$ (75,500) | \$ (75,500) | \$ (75,500) | \$ (75,500) | |
| Net Savings - Option 3 | \$ (407,972) | \$ (49,466) | \$ (96,816) | \$ (85,252) | \$ (84,602) | \$ (83,889) | \$ (7,947) |
| Capital Plan Reduction - Potential Decrease of Future Anticipated Costs | \$ (312,000) | \$ - | \$ - | \$ (78,000) | \$ (78,000) | \$ (78,000) | \$ (78,000) |
| Net Impact - Option 3 | \$ (719,972) | \$ (49,466) | \$ (96,816) | \$ (163,252) | \$ (162,602) | \$ (161,889) | \$ (85,947) |
| | | bus lease purchase payment | final year of bus lease purchase payment | | | | |

| Base Year Budget 2009-2010 | 2009-2010 |
|--|--------------|
| Salary/ Benefits* | \$ 455,493 |
| Purchased Repair and Maintenance - Body work repairs / tires etc | \$ 28,200 |
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| Bus Lease Purchase | \$ 53,876 |
| Contracted / Leased Transportation Services | \$ 381,182 |
| Total 2009-2010 RSU No. 5 Transportation Budget | \$ 1,055,876 |
| Less - Other Vehicle Costs (Trucks, Vans) | \$ (12,000) |
| Net Transportation Costs for School Buses | \$ 1,043,876 |

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Other Considerations

Depreciated Value of Buses
No Owned Buses RSU No 5 2011-2012
Eliminate Proposed Capital Bus Purchase
Replacement Schedule (of approximately \$78,000 per year)
Eliminate annual salary / benefit budget impacts and volatility of fuel costs
Bus replacements costs continuing to rise