**TCSC Transportation Report and Recommendations**



TCSC Transportation Report

The TCSC Transportation Report is a comprehensive look at our bus inventory. The report is in two parts looking at current reality (equipment and personnel) and projecting the future.

Table 1

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| BUS NUMBER | MODEL YEAR | BUS MAKE | ENGINE CID | SEAT BELTS | ROUTE / SPARE | MILES |
| A-1 | 2013 | CHEVROLET | 6.6 DURMAX | LAP | ACTIVITY | 67,486 |
| A-2 | **2001** | GMC | 6.5 DIESEL | LAP | ROUTE | 90,780 |
| A-3 | 2015 | FORD E-350 | 5.4 GAS | LAP | ACTIVITY | 18,274 |
| A-4 | 2020 | GMC | Gas | LAP | ACTIVITY |  |
| 9 | 2016 | THOMAS | 6.7 CUMMINS | YES | ROUTE | 23,291 |
| 12 | 2014 | THOMAS | 6.7 CUMMINS | NO | SPARE | 69,174 |
| 22 | 2013 | THOMAS | 6.7 CUMMINS | NO | B/G CLUB | 42,704 |
| 34 | 2017 | THOMAS | 6.7 CUMMINS | YES | ROUTE | 20,248 |
| 31 | 2015 | THOMAS | 6.7 CUMMINS | YES | ROUTE | 25,208 |
| 43 | 2018 | THOMAS | 6.7 CUMMINS | YES | ROUTE | 11,904 |
| 44 | **2007** | FREIGHTLINER | MBE 259 CID | NO | SPARE | 78,188 |
| 45 | **2008** | THOMAS | MBE 259 CID | NO | SPARE | 57,339 |
| 46 | **2009** | THOMAS | 6.7 CUMMINS | NO | SPARE | 59,072 |
| 47 | **2009** | THOMAS | 6.7 CUMMINS | NO | ROUTE | 54,173 |
| 48 | **2009** | THOMAS | 6.7 CUMMINS | NO | ROUTE | 53,252 |
| 49 | 2010 | THOMAS | 6.7 CUMMINS | NO | ROUTE | 56,101 |
| 51 | 2019 | FREIGHTLINER | 6.7 CUMMINS | YES | ROUTE | 1,193 |
| 52 | 2019 | FREIGHTLINER | 6.7 CUMMINS | YES | ROUTE | 3,550 |
| 53 | 2019 | FREIGHTLINER | 6.7 CUMMINS | YES | ROUTE | 4,292 |
| 10 | **2009** | FREIGHTLINER | 6.7 CUMMINS |  | ROUTE | 255,158 |
| 20 | 2018 | FREIGHTLINER | 6,7CUMMINS | YES | ROUTE | 33,676 |
| 30 | 2020 | FREIGHTLINER | 6.7 CUMMINS | YES | ROUTE | 700 |
| 60 | **2007** | FREIGHTLINER | MBE 259 CID |  | SPARE | 182,469 |
| 50 | 2014 | FREIGHTLINER | 6.7 CUMMINS | YES | ROUTE | 81,145 |

Table 1 is a current snapshot of the TCSC Bus Fleet. The table includes the bus number, year of manufacture, make, engine brand, seat belt equipped, daily use, and total miles. There are currently 24 buses in our fleet. All but 5 are used on a daily basis. The average age of buses used daily is six years with an average mileage of 33,244. The average age of spare buses is 12 years, with an average mileage of 89,247. This year we had 8 buses undergo the 12 year inspection (1 used daily), next year that number will be 9, (5 used daily). 10 out of the 15 buses used daily are equipped with seat belts.

We currently have four activity buses. Our new one will be delivered soon to replace the old A4. One activity bus is used for a route. The rest are used for field trips and after school activities. The average age of the activity buses is 12 years and the average miles are 41,133. Of the four buses 2 are diesel and 2 are gas. Due to concerns about fumes, all new activity buses must have a gas engine.

Table 2: Miles driven and estimated maintenance cost

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| BUS # | MANUFACTURED YEAR | YEARS IN SERVICE | MILES DRIVEN | ESTIMATED COST OF MAINTENANCE |
| A-1 | 2013 | 8 | 32,655 | $2,100 |
| A-2 | 2001 | 20 | 14,728 | $2,800 |
| A-3 | 2015 | 6 | 15,406 | $450 |
| A-4 | 2008 | 12 | 11,905 | $2,800 |
| 10 | 2008 | 13 | 30,597 | $6,800 |
| 20 | 2018 | 3 | 22,237 | $1,100 |
| 30 | 2020 | 1 | 8,000 | $300 |
| 50 | 2014 | 7 | 71,142 | $2,800 |
| 60 | 2006 | 15 | 22,416 | $4,600 |
| 9 | 2016 | 5 | 11,287 | $1,300 |
| 12 | 2013 | 8 | 24,059 | $1,600 |
| 22 | 2012 | 9 | 4,949 | $1,500 |
| 31 | 2015 | 6 | 18,004 | $1,100 |
| 34 | 2017 | 6 | 21,757 | $1,000 |
| 43 | 2018 | 3 | 15,337 | $900 |
| 44 | 2006 | 15 | 5,050 | $1,100 |
| 45 | 2006 | 15 | 8,848 | $900 |
| 46 | 2008 | 13 | 3,533 | $2,200 |
| 47 | 2008 | 13 | 5,096 | $3,200 |
| 48 | 2009 | 12 | 7,380 | $4,800 |
| 49 | 2010 | 11 | 11,956 | $1,300 |
| 51 | 2019 | 2 | 5,252 | $300 |
| 52 | 2019 | 2 | 10,712 | $300 |
| 53 | 2019 | 2 | 12,686 | $600 |

Table 2 demonstrates the number of years in service, the average miles over a three year period (2017-2020). The final column is the annual cost of maintenance excluding the cost of labor. Buses with Mercedes engines (in red) cannot be worked on”in house” due to the expense of equipment needed for repairs. Average cost of maintenance for buses 1-7 years of age is $715.00 for buses 8 years and older $2,708. Full replacement insurance coverage for all buses minus our deductible for vehicles 12 years old or less. For the seven buses 13 years or older we would only recoup fair market value minus deductible.

Table 3: Current Drivers and Routes

|  |  |  |
| --- | --- | --- |
| Bus # | Driver Name | Route |
| 19 | Tammy Smith | Curtisville (Contract) 20 |
| 49 | Randy Carlisle | City (Corp) 40 |
| 34 | Dave Arnett | City (Corp) 40 |
| 5 | Scott Cessna | Hobbs-200N (Contract) 25 |
| 31 | Beth Mitchell | City (Corp) 30 |
| 26 | Jennifer Edwards | Hobbs-West Elwood (Contract) 20 |
| 17 | Dixie Cessna | 600 S-Altanta (Contract) 20 |
| 2 | Brian Overdorf | 400 S-600S (Contract) 20 |
| 25 | Kevin Wittkamper | South to West Elwood (Contract) 22 |

|  |  |  |
| --- | --- | --- |
| 14 | Lori Henry | Goldsmith/Normanda (Contract) 20 |
| 51 | Charlotte Baird | City (Corp) 22 |
| 52 | Debbie Maxson | Division/31 Corridor (Corp) 30 |
| 21 | Glenn Edwards | Clinton County Line (Contract) 20 |
| 53 | Matt Gall | Kempton (Corp) 20 |
| 16 | Tim Henry | East of 31/900 W (Contract) 20 |
| 43 | James Voss | City (Contract) Golf Course 42 |
| 48 | Jane Harper | City (Corp) 40 |
| 9 | Bruce Schulenburg | City (Corp) 40 |
| 47 | Becky Schulenburg | City (Corp) 35 |
|  |  |  |
|  |  |  |
| 46 | Boys and Girls Club Bus |  |
| 22 | Boys and Girls Club Bus |  |

Table 3 represents drivers, bus routes, and approximate ridership for the 2020-2021 school year (this excludes SPED bus routes which take students to Kokomo and Indianapolis-also based on Pre-Covid numbers). We currently employ 13 corporation drivers with an average of 24 students per bus (based on pre-COVID numbers). Nine drivers are contracted with an average of 22 students per bus (based on pre-COVID numbers).

Table 4

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  | Projected |
|  | 2015-2016 | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
| **ADM** | **1711** | **1642** | **1552** | **1532** | **1487** | **1428** | **1401** |
| **Routes** | **26** | **26** | **25** | **24** | **24** | **25** |  |
|  | **Enrollment is down 19% since 2015** | | | | |  |  |
|  | **If we cut bus routes by 19% we would have 20-21 Routes** | | | | | | |

Table 4 represents the last five years of TCSC Average Daily Membership compared to the number bus routes. The table demonstrates a decline in ADM of 19% or 310 students. During that time the number of routes remained steady at 24-26 routes (extra route added this year for the Boys and Girls Club to maintain social distancing). The number of routes has not declined with the ADM.

Table 5

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Corporation Drivers** | | |  | **Contracted Drivers** | | |
| **Daily** | **Per Pay** | **Contract** |  | **Per Day** | **Per Pay** | **Contract** |
| $ 80.45 | $693.40 | $ 14,561.45 |  | $ 268.00 | $ 2,309.90 | $ 48,508.00 |
| $ 101.61 | $ 875.78 | $ 18,391.41 |  | $ 254.80 | $ 2,196.13 | $ 46,118.80 |
| $ 166.87 | $ 1,438.26 | $ 30,203.47 |  | $ 224.50 | $ 1,934.98 | $ 40,634.50 |
| $ 82.17 | $ 708.23 | $ 14,872.77 |  | $ 217.80 | $ 1,877.23 | $ 39,421.80 |
| $ 216.85 | $ 1,509.61 | $ 39,249.85 |  | $ 247.00 | $ 2,128.90 | $ 44,707.00 |
| $ 59.62 | $ 513.87 | $ 10,791.22 |  | $ 240.00 | $ 2,068.50 | $ 43,440.00 |
| $ 90.45 | $ 766.67 | $ 16,100.10 |  | $ 207.80 | $ 1,791.04 | $ 37,611.80 |
| $ 104.43 | $ 900.09 | $ 18,901.83 |  | $ 236.60 | $ 2,039.27 | $ 42,824.60 |
| $ 115.55 | $ 1,022.02 | $ 20,452.55 |  | $ 258.20 | $ 2,225.44 | $ 46,734.20 |
| $ 91.08 | $ 785.02 | $ 16,485.48 |  | **$2,154.70** | **$18,571.39** | **$390,000.70** |
| $ 93.00 | $ 801.57 | $ 16,833.00 |  | **Average Pay Per Driver: $ 43,333.41** | | |
| $ 196.69 | $ 1,695.28 | $ 35,600.89 |  |  |  |  |
| $ 109.84 | $ 946.46 | $ 19,875.61 |  |  |  |  |
| $ 107.14 | $ 923.44 | $ 19,392.34 |  |  |  |  |
| $ 136.40 | $ 1,175.64 | $ 24,688.40 |  |  |  |  |
| $ 88.47 | $ 728.18 | $ 10,837.58 |  |  |  |  |
| **$1,840.62** | **$15,483.52** | **$327,237.95** |  |  |  |  |
| **Average Pay Per Driver: $ 20,839.88** | | |  |  |  |  |

Table 5 represents the cost of transportation supported by the Operation Fund. Annually TCSC pays $327,237.95 for corporation drivers and $390,000.70 for contracted drivers for a grand total of $717,237.65. The average cost for a corporation driver is $20,839.88, while the average cost of a contracted driver is $43,333.41. Contracted drivers also pay their fuel and upkeep on the bus. In order to align our budget with our current need for transportation, we should consider a cut of 19% or $136,275.03 annually.

**Future Considerations**

**Bus Purchase:**  TCSC will have a considerable number of buses that will be twelve years or older by the beginning of the school year 2021-22. We will have 5 buses used on a daily basis that will be 12 years old or older. While the buses have acceptable mileage on their engines (since they are diesels) their bodies are still 12 years or older. One of our activity buses is a 2001 and is in need of replacement with 90,000 miles. Activity buses can be used more frequently to decrease costs. Since financially we cannot purchase 5 buses at one time, it is recommended that the board of trustees consider a lease to own through Daimler Financial. We would finance 4 buses over a five year period, while continuing to purchase one additional bus each of the five years. In 2021 we would buy one additional activity bus and 2022-24 we would purchase 1 additional bus each year. At the end of 2024-2025, we would have one bus 12 years or older, with the average age of our 20 buses 2019. At the end of the 2024-2025 school year, TCSC will eliminate all contacted bus routes and will need to purchase two to four new buses as those routes will become corporation owned.

* 2021-2022-4 Buses financed through Daimler Financial and 1 Activity Bus
* 2022-2023-1 New Bus
* 2023-2024-1 New Bus
* 2024-2025-1 New Bus
* 2025-2026-2 New Bus

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Price Per Bus |  |  |  | Price Per Bus |  |
| $100,442.00 | C2-72 Passenger |  |  | 102,583.00 | C2-78 Passenger |
|  |  |  |  |  |  |
| # of Units | 4 |  |  | # of Units | 4 |
| Amount Financed | $401,768 |  |  | Amount Financed | $410,332 |
| Yrs | 5 |  |  | Yrs | 5 |
| Payment/Year | 1 |  |  | Payment/Year | 1 |
| Rate | 2.40% |  |  | Rate | 2.40% |
| Yearly Payment | $84,209.00 |  |  | Yearly Payment | $86,004.47 |
| **Annual Relief** | **$16,233** |  |  | **Annual Relief** | **$16,579** |

**Figure 1: Tax Exempt Financing**

What is Tax-Exempt Financing? Tax-exempt financing, also known as a tax-exempt installment purchase contract, allows school districts to purchase buses by making payments over the useful life of the bus. Here are some of the benefits of tax-exempt financing:

* Low-cost, tax-exempt capital
* Lower interest rates than other types of commercial financing
* Up to 100% financing with no down payment
* Up to 120-month terms
* Multiple flexible payment options
* Payments are not considered debt
* Treated as an operating expense

We will purchase Thomas C2 buses with our normal specs. Each bus will have a 3 year 50,000 mile warranty, saving us funds for repair beyond wear and tear for a three year period. All buses will have seat belts to replace buses that do not. 

**Routes:**

Cost analysis by Bob Schultz projects an approximate savings of $10,000-$18,000 when the school corporation takes over a contracted bus route. This analysis includes the cost of driver, bus, fuel, and general maintenance of the corporation owned bus. We currently have 9 contract drivers. By 2025-26, TCSC should transition to all corporation drivers. In the interim, with contracts up at the end of the 2020-2021 school year, TCSC should consider the elimination of some contracted routes. It is recommended that TCSC eliminate 3-4 contracted routes at cost savings of approximately $129,000-$173,333 annually. In addition the bid specifications need to be reviewed and fuel cost taken into consideration.

**Cost Cutting and other Ways to Generate Revenue**

For the last 6 months we have been engaged in ways to lessen redundancy and create more efficiency. One recommendation is to eliminate the Head Bus Driver position and absorb those responsibilities into existing administrative positions. We could eliminate this position as quickly as January 2021. The annual cost savings is approximately $64,582, annually.

In order to generate additional revenue and cover costs for drivers. It is recommended a per mile surcharge of $1.50 for all field trips involving the use of a Tipton Community School Corporation bus (this does not include the use of an activity bus). The surcharge would not be assessed to athletics, FFA, or music organizations.