

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 #	MANUFACTURE D 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 contracted 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

Annual Cost to Operation Fund

Year		Fin 5 Years	Fin 6 Years	Relief
2021-22	1 New Act. Bus/Pmt.	\$146,206	\$132,125	\$17,800-32,000
2022-23	1 New Bus/Payment	\$186,209	\$172,125	\$17,800-32,000
2023-24	1 New Bus/Payment	\$187,209	\$173,125	\$16,800-31,000
2024-25	1 New Bus/Payment	\$188,209	\$174,125	\$15,800-30,000
2025-26	2 New Bus/Payment	\$290,209	\$278,125	All Corp Buses

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.