

# **Fiscal Year 2025**

## **Affiliated Agency Grant Application**

**Organization Name:** Lowcountry Regional Transportation Authority

**Project Name:** Palmetto Breeze

### **Executive Summary**

An Effectiveness Measurement spreadsheet has been attached to this application.

# Fiscal Year 2025

## Affiliated Agency Grant Application

Date Received: 01/30/2024

Time Received: 02:34 PM

By: Online Submittal

*Applications will not be accepted if submitted after 4 pm on January 31, 2024*

### A. SUMMARY OF GRANT REQUEST:

**ORGANIZATION NAME:** Lowcountry Regional Transportation Authority

**Project/Event Name:** Palmetto Breeze

**Contact Name:** Kristine Hepburn

**Title:** Director of Finance & Administration

**Address:** PO Box 2029, Bluffton, SC 29910

**Email Address:**  
khepburn@palmettobreezetransit.com

**Contact Phone:** 843-757-5784

**Total Budget:** \$5,648,499.00

**Grant Amount Requested:**  
\$253,595.00

Provide a brief summary on the intended use of the grant and how the money would be used. (100 words or less)

The Lowcountry Regional Transportation Authority DBA Palmetto Breeze respectfully requests **\$203,595** for Fiscal Year 2025 in order to support the provision of public transportation throughout the Hilton Head Island/Bluffton Urbanized Area, including the Town of Hilton Head Island. This amount represents our best estimate of the amount that will be needed to match the Federal grant that funds the urban service and is based on a comparative analysis of past grant funding. The Federal Transit Administration (FTA) has not released the Federal Fiscal Year 2025 grant apportionments, which means that, while we do not anticipate a significant change, our request may be subject to amendment. Lowcountry RTA is also requesting a **\$50,000**

contribution toward the local match for the rural commuter program.

## **B. DESCRIPTION OF OPERATIONS:**

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1. For state reporting purposes, give a brief description of the organization. (250 words or less)

Lowcountry RTA has been a rural (Section 5311) transportation provider since its inception in the late 1970s. The South Carolina Department of Transportation (SCDOT) administers the rural grant programs that combined with fares and both state and local matching funds, account for the revenue necessary to operate the system. Historically, the local match has been provided by Allendale, Beaufort, Colleton, Hampton, and Jasper Counties, as well as the Town of Hilton Head Island. In February 2017, Lowcountry RTA was approved by the FTA as a direct recipient of urban (Section 5307) funds, designated to serve the Hilton Head Island/Bluffton Urbanized Area.

Lowcountry RTA is one of the 10 regional public transportation systems created under South Carolina state law and, at present day, is the designated public transportation provider for the five-county region that encompasses Allendale, Beaufort, Colleton, Hampton, and Jasper Counties. Our mission is “(to) provide regionally the safest, most innovative, cost efficient, multi-modal public transportation system possible” and it carries out this mission by providing a mixture of commuter bus services, local public transit in several of the region’s greater municipal areas, including Hilton Head Island, Beaufort, and Bluffton), and through some shuttle services and other operations. As a result, there is some level of public transit service available in every one of the five counties in the LRTA region, with a primary focus on Beaufort County.

2. Describe in detail how the grant would be used? (250 words or less)

The most recent urban (Section 5307) grant project (for Federal Fiscal Year 2024) includes the continuation of the Breeze Trolley service on Hilton Head Island, operation of the Bluffton Breeze service, and facility improvements at our Benton Field Road campus, and has a total project cost of \$1,764,573. The grant funding for this project consists of \$1,115,337 in Federal funds and \$81,043 in State Mass Transit funds. This leaves a total of \$573,992 in local matching funds that must be raised for the project. Traditionally, these funds have been provided from the general funds of the Town of Bluffton, the Town of Hilton Head Island, and Beaufort County based on each jurisdiction's respective share of the total population of the urbanized area.

The most recent rural (Section 5311) grant project (for State Fiscal Year 2024) has a total project cost of \$2,600,280. The grant funding for this project consists of \$1,666,224 in Federal funds and \$327,987 in SMTF.

3. What impact would partial funding have on the activities, if full funding were not received? What would the organization change to account for partial funding? *(100 words or less)*

If only partial funding is received, the LRTA would have to adjust service plans to reflect the adjusted budget allocations. These adjustments would primarily include reduced public transit services through a combination of reduced service hours, reduced frequency, or cancellation of service. Reductions would not affect the safety of any remaining operations, but they would likely have an adverse effect on the region's mobility and access to jobs (both of which are critical to our limited infrastructure and local economies), and in the case of the Breeze Trolley service, a reduced Island experience for visitors and residents alike.

4. What is the expected public benefit to these expenditures to the Island's, citizens, visitors, and/or the Town? *(100 words or less)*

The most important benefit to the Island's citizens, visitors and the Town is the enhanced mobility and access to jobs provided by Palmetto Breeze's commuter services. With limited affordable workforce housing in the immediate area, the Island's economy depends heavily on cost-effective, daily commuter services for employees to access jobs for our hundreds of local employers. Additionally, the Breeze Trolley service has truly become an enhancement to the "Island Experience" for visitors, and is contributing to congestion reduction for all who use our roadways.

5. Additional comments. (250 words or less)

**C. FUNDING:**

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1. Please describe how the organization is currently funded. (100 words or less)

Lowcountry RTA, like other public transit agencies across South Carolina, receives most of its funding from a mixture of state and federal grants and annual discretionary allocations made by local governments. While the state and federal grants make up around a majority of the funding stream, the local funding is imperative. It makes up what is referred to as "local match," without which the agencies would not qualify for the grant funding.

2. Please also estimate, as a percentage, the source of the organization's total annual funding.

86	Government Sources	0	Private Contributions, Donations and Grants
2	Corporate Support, Sponsors	0	Membership, Dues, Subscriptions

3. Please provide a summary of previous governmental funding applied for, or received, for fiscal year 2024 and fiscal year 2025. (100 words or less)

In addition to governmental funding, Lowcountry RTA has sought to establish agreements whereby private businesses support the provision of public transit in their area. Several of these agreements are in place to support several of the Island's key employers. Our operations are also partially funded by fares paid by our commuter passengers.

4. Please provide a summary of other sources of funding or secured for this initiative. (250 words or less)

In addition to governmental funding, Lowcountry RTA has sought to establish agreements whereby private businesses support the provision of public transit in their area. Several of these agreements are in place to support several of the Island's key employers. Our operations are also partially funded by fares paid by our commuter passengers.

#### D. FINANCIAL INFORMATION:

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Fiscal Year Disclosure: Start Month: July End Month: June

#### Financial Statement Requirements:

1. The upcoming year's **operating budget** for the organization.

**An Organization Budget has been attached to this Application.**

2. The previous two years and current year **profit and loss reports** for the organization.

A Current Profit & Loss Report has been attached to this Application.

Profit and Loss Years Provided:

FY 2019 & FY 2020  
FY 2020 & FY 2021  
Draft FY2022

3. The previous two years and current year **balance sheets**.

A Current Balance Sheet has been attached to this Application.

Balance Sheet Years Provided:

FY 2019 & FY 2020  
FY 2020 & FY 2021  
Draft FY2022

## E. MEASURING EFFECTIVENESS:

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1. List any award amounts received in fiscal year 2023 and/or 2024.

2021	\$225,165.00	Palmetto Breeze
2022	\$282,404.00	Palmetto Breeze
2023	\$282,404.00	Palmetto Breeze
2024	\$277,842.00	Palmetto Breeze

2. How were those funds used? To what extent were the objectives achieved?  
(200 words or less)

Funds received in 2023 and currently receiving in 2024 were utilized as the local match portion of our operating budgets for our Palmetto Breeze Transit daily commuter services and our seasonal Breeze Trolley services.

3. What impact did this have on the success of the organization and how did it benefit the community? *(200 words or less)*

The Town's contribution of our local match is critical to the success of our public transit services. Our fundinh through the State and Federal departments oif Transportation requires the provision of a local match in order for those funds to be completely allocxtaed to the LRTA. So, in short, without the Town's local match, the provision of these regionally significant services would be nearly impossible.

4. How does the organization measure the effectiveness of both the overall activity and of individual programs? *(200 words or less)*

LRTA measures effectiveness in several ways. We assess our contribution to the local economy in terms of our ability to enhance access to jobs for commuters who reside outside the immediate area. We also monitor our commuter ridership (which has remained remarkably constant despite the COVID-9 pandemic) as well as our Breeze Trolley ridership which experienced an enormous increase in 2021 over previous seasons and has remained constant since than. Our interal key performance indicators include safety performance, passenger satisfaction, maintenance achievements, public support, social media imapcts, and our overall image within the Hilton Head isand and the surrounding Lowcountry communities.

## **F. EXECUTIVE SUMMARY**

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Provide an executive summary using the Effectiveness Measurement spreadsheet provided or your own format. If creating your own format, please refer to the



Effectiveness Measurement sample spreadsheet and use the criteria as a guideline. *(1300 words or less)*

An Effectiveness Measurement spreadsheet has been attached to this application.

Signature: Kristine Hepburn

Title/Position: Director of Finance and Administration

Mailing Address: PO Box 2029, Bluffton, SC 29910

Email Address: [khepburn@palmettobreezetransit.com](mailto:khepburn@palmettobreezetransit.com)

Phone Number: 843-757-5784

Lowcountry Regional Transportation Authority  
 FY 2023-2024 Budget

DRAFT/Approved 5/23

	FY 2023 Budget	FY 2024 Budget	Revenues FY2024
<b>Capital</b>			
Bus			
Computers			
Training			
Support Vehicle (Maintenance)			
Building (Maintenance)- sheds			
<b>Total Capital</b>	<b>\$ 660,500</b>	<b>\$ 0</b>	
<b>Operating</b>			
Miscellaneous Expenses	\$ 500		
Bad Debt Expense	-		
Returned Check			
Bank Charges	17,000		
Late Charges	-		
Gain/Loss on Disposal	-		
Service & Finance Charges	1080		
Misc Goodwill	2500		
Interest Expense	-		
Depreciation Expense	800,000		
BJEOC Vehicle Maintenance Expenses	-		
Local Match Expenses	-		
Net Pension Liability Expense	-		
Other Post Employment Benefits (OPEB) Expense	-		
Emergency Operations Expenses	-		
<b>Agency Expense Subtotal</b>	<b>\$ 801,500</b>	<b>\$ 821,080</b>	<b>\$ 821,080</b>
Administration Wages	475,589		
Administration Overtime	0		
Administrative Fringe	142,421		
Utilities	15,968		
Postage & Freight	813		
Office Supplies/Computer/Security	8,500		
Legal & Professional Services	75,000		
Advertising & Marketing	10,000		
Dues & Subscriptions	8,775		
Travel & Training	8,500		
Insurance	296,647		
HR/Payroll Expenses	19,130		
Miscellaneous Expenses	1,575		
<b>Administration Departmental Expense Subtotal</b>	<b>1,117,165</b>	<b>1,062,918</b>	<b>1,062,918</b>
Maintenance Wages	302,600		
Maintenance Overtime	12,500		
Maintenance Fringe	90,693		
Utilities	36,219		
Office Supplies/Computer/Security	4,145		
Travel & Training	8,500		
Personnel Expenses	1,064		
Facility Maintenance	36,018		
Vehicle Maintenance	210,283		
Uniforms	4,724		
<b>Maintenance Departmental Expense Subtotal</b>	<b>755,466</b>	<b>706,746</b>	<b>706,746</b>
Operations Wages	1,563,226		
Operations Overtime	84,972		
Operations Fringe	531,231		
Utilities	20,163		
Office Supplies/Computer/Security	81,900		
Travel & Training	5,000		
Personnel Expenses	4,403		
Uniforms	10,689		
Vehicle Maintenance	7,755		
Fuel	740,366		
Misc	8,000		
<b>Operations Departmental Expense Subtotal</b>	<b>2,881,359</b>	<b>3,057,705</b>	<b>3,057,705</b>
<b>Total Operating</b>	<b>\$ 5,555,490</b>	<b>\$ 5,648,449</b>	<b>\$ 5,648,449</b>
<b>TOTAL (Operating &amp; Capital)</b>	<b>\$ 6,215,990</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Less Depreciaiton(paper number)</b>		<b>\$ 800,000</b>	<b>\$ 800,000</b>
<b>TOTAL (Operating &amp; Capital less depreciation expense)</b>	<b>\$ 0</b>	<b>\$ 4,848,449</b>	<b>\$ 4,848,449</b>

Total Operating

# LOWCOUNTRY REGIONAL TRANSPORTATION AUTHORITY

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
<b>Operating revenues</b>		
Fares - fixed route	\$ 277,342	\$ 315,088
Miscellaneous	105,617	128,235
Total operating revenues	382,959	443,323
<b>Operating expenses</b>		
Urban service:		
Fixed route and deviated fixed route	732,897	531,499
Commuter bus	528,846	339,731
Non-sponsored demand response	176,283	120,289
Rural service:		
Fixed route and deviated fixed route	117,522	104,753
Commuter bus	705,127	898,898
Non-sponsored demand response	675,746	545,813
General administration	1,680,955	1,927,401
Maintenance department	633,393	772,104
Depreciation expense	958,804	1,136,730
Amortization expense	45,133	-
Total operating expenses	6,254,706	6,377,218
Operating loss	(5,871,747)	(5,933,895)
<b>Non-operating revenues (expenses)</b>		
Federal grants	4,376,316	3,369,950
State grants	793,786	426,630
County and other local appropriations	1,029,244	1,068,300
Interest income	17,376	1,848
Loss on disposal of assets	(8,486)	(6,908)
Total non-operating revenues, net	6,208,236	4,859,820
<b>Change in net position</b>	336,489	(1,074,075)
<b>Net position, beginning of year</b>	1,504,025	2,578,100
<b>Net position, end of year</b>	\$ 1,840,514	\$ 1,504,025

The accompanying notes are an integral part of these financial statements.

# LOWCOUNTRY REGIONAL TRANSPORTATION AUTHORITY

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
<b>Operating revenues</b>		
Contract income	\$ -	\$ 37,099
Fares - fixed route	315,088	415,830
Miscellaneous	128,235	47,698
Total operating revenues	443,323	500,627
<b>Operating expenses</b>		
Urban service		
Fixed route and deviated fixed route	531,499	306,939
Commuter bus	339,731	244,844
Non-sponsored demand response	120,289	147,346
Fixed route and deviated fixed route	104,753	195,890
Commuter bus	898,898	1,609,401
Non-sponsored demand response	545,813	572,461
General administration	1,927,401	1,059,592
Maintenance department	772,104	439,583
Depreciation expense	1,136,730	829,667
Total operating expenses	6,377,218	5,405,723
Operating loss	(5,933,895)	(4,905,096)
<b>Non-operating revenues</b>		
Federal grants	3,369,950	4,829,808
State grants	426,630	88,831
County and other local appropriations	1,068,300	789,856
Interest income	1,848	335
Gain (loss) on disposal of assets	(6,908)	11,777
Total non-operating revenues, net	4,859,820	5,720,607
<b>Change in net position</b>	(1,074,075)	815,511
<b>Net position, beginning of year</b>	2,578,100	1,762,589
<b>Net position, end of year</b>	\$ 1,504,025	\$ 2,578,100

The accompanying notes are an integral part of these financial statements.

## LOWCOUNTRY REGIONAL TRANSPORTATION AUTHORITY

### STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
<b>Operating revenues</b>		
Contract income	\$ 37,099	\$ 125,221
Fares - fixed route	415,830	449,901
Fares - demand response	-	23,893
Miscellaneous	47,698	30,316
Total operating revenues	500,627	629,331
<b>Operating expenses</b>		
Urban service		
Fixed route and deviated fixed route	306,939	113,763
Commuter bus	244,844	402,592
Non-sponsored demand response	147,346	78,715
Rural service		
Fixed route and deviated fixed route	195,890	62,561
Commuter bus	1,609,401	1,160,601
Non-sponsored demand response	572,461	304,811
General administration	1,059,592	1,671,274
Maintenance department	439,583	608,443
Depreciation expense	829,667	733,607
Total operating expenses	5,405,723	5,136,367
Operating loss	(4,905,096)	(4,507,036)
<b>Non-operating revenues</b>		
Federal grants	4,829,808	3,037,297
State grants	88,831	468,763
County and other local appropriations	789,856	851,658
Interest income	335	4,164
Gain on disposal of assets	11,777	901
Total non-operating revenues, net	5,720,607	4,362,783
<b>Change in net position</b>	815,511	(144,253)
<b>Net position, beginning of year</b>	1,762,589	1,906,842
<b>Net position, end of year</b>	\$ 2,578,100	\$ 1,762,589

The accompanying notes are an integral part of these financial statements.

# LOWCOUNTRY REGIONAL TRANSPORTATION AUTHORITY

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
<b>Operating revenues</b>		
Contract income	\$ 125,221	\$ 465,160
Fares - fixed route	449,901	377,638
Fares - demand response	23,893	45,451
Miscellaneous	30,316	50,255
Total operating revenues	629,331	938,504
<b>Operating expenses</b>		
Fixed route	1,466,917	1,372,480
General administration	1,671,274	1,245,469
Allendale County 5311	12,365	18,286
Demand response	341,928	322,674
Maintenance department	608,443	415,070
Jasper County Board of Disabilities and Special Needs	-	115
Beaufort County Board of Disabilities and Special Needs	19,729	160,810
Job Access Reverse Commute 5307	10,881	10,324
Job Access Reverse Commute 5311	12,426	8,403
Senior services of Beaufort County	100	20,348
New Freedom	6,699	4,705
Small urbanized area	331	972
Hotel shuttle	-	564
South Carolina Department of Employment	62,561	112,442
Marriott Hotel	16,463	31,387
Palmetto Bluff	37,742	37,554
Hilton Head Island trolley	89,140	118,767
USCB Service	24,479	7,230
RTAP funding	18,649	19,096
Access Health VIM	2,633	2,027
Depreciation expense	733,607	583,055
Total operating expenses	5,136,367	4,491,778
Operating loss	(4,507,036)	(3,553,274)
<b>Non-operating revenues (expenses)</b>		
Federal grants	3,037,297	3,317,776
State grants	468,763	628,454
County and other local appropriations	851,658	536,587
Interest income	4,164	5,023
Gain on disposal of assets	901	5,415
Total non-operating revenues, net	4,362,783	4,493,255
<b>Change in net position</b>	(144,253)	939,981
<b>Net position, beginning of year</b>	1,906,842	966,861
<b>Net position, end of year</b>	\$ 1,762,589	\$ 1,906,842

The accompanying notes are an integral part of these financial statements.

# LOWCOUNTRY REGIONAL TRANSPORTATION AUTHORITY

## STATEMENTS OF NET POSITION JUNE 30, 2023 AND 2022

	2023	2022
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 436,209	\$ 606,368
Accounts receivable, net	630,150	339,897
Prepaid expenses	20,337	15,407
Inventory	130,018	108,055
Total current assets	1,216,714	1,069,727
<b>Non-current assets</b>		
Capital assets - nondepreciable	151,019	151,019
Capital assets - depreciable, net	6,422,534	5,801,067
Subscription-based information technology arrangements asset	124,115	-
Total non-current assets	6,697,668	5,952,086
Total assets	7,914,382	7,021,813
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	943,297	822,867
Other post-employment benefits	1,798,250	1,690,530
Total deferred outflows of resources	2,741,547	2,513,397
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	180,190	245,444
Accrued payroll and withholding	79,279	134,567
Accrued compensated absences	67,416	69,716
Subscription-based information technology arrangements liability	44,561	-
Total current liabilities	371,446	449,727
<b>Non-current liabilities</b>		
Net pension liability	3,998,103	3,153,979
Net other post-employment benefits liability	3,039,326	3,678,415
Unearned revenue	-	6,240
Subscription-based information technology arrangements liability	81,549	-
Total non-current liabilities	7,118,978	6,838,634
Total liabilities	7,490,424	7,288,361
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	40,536	509,014
Other post-employment benefits	1,284,455	233,810
Total deferred inflows of resources	1,324,991	742,824
<b>NET POSITION</b>		
Net investment in capital assets	6,571,558	5,952,086
Unrestricted	(4,731,044)	(4,448,061)
Total net position	\$ 1,840,514	\$ 1,504,025

The accompanying notes are an integral part of these financial statements.

# LOWCOUNTRY REGIONAL TRANSPORTATION AUTHORITY

## STATEMENTS OF NET POSITION JUNE 30, 2022 AND 2021

	2022	2021
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 606,368	\$ 495,225
Accounts receivable, net	339,897	218,570
Prepaid expenses	15,407	88,514
Inventory	108,055	113,770
Total current assets	1,069,727	916,079
<b>Non-current assets</b>		
Capital assets - nondepreciable	151,019	178,127
Capital assets - depreciable, net	5,801,067	6,227,270
Total non-current assets	5,952,086	6,405,397
Total assets	7,021,813	7,321,476
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	822,867	1,094,128
Other post-employment benefits	1,690,530	1,477,702
Total deferred outflows of resources	2,513,397	2,571,830
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	245,444	173,944
Accrued payroll and withholding	134,567	105,398
Accrued compensated absences	69,716	47,092
Total current liabilities	449,727	326,434
<b>Non-current liabilities</b>		
Net pension liability	3,153,979	3,581,979
Net other post-employment benefits liability	3,678,415	3,062,789
Unearned revenue	6,240	-
Total non-current liabilities	6,838,634	6,644,768
Total liabilities	7,288,361	6,971,202
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	509,014	85,448
Other post-employment benefits	233,810	258,556
Total deferred inflows of resources	742,824	344,004
<b>NET POSITION</b>		
Investment in capital assets	5,952,086	6,405,397
Unrestricted	(4,448,061)	(3,827,297)
Total net position	\$ 1,504,025	\$ 2,578,100

The accompanying notes are an integral part of these financial statements.



# LOWCOUNTRY REGIONAL TRANSPORTATION AUTHORITY

## STATEMENTS OF NET POSITION JUNE 30, 2021 AND 2020

	2021	2020
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 495,225	\$ 272,544
Accounts receivable, net	218,570	411,249
Prepaid expenses	88,514	224,175
Inventory	113,770	102,654
Total current assets	916,079	1,010,622
<b>Non-current assets</b>		
Capital assets - nondepreciable	178,127	197,436
Capital assets - depreciable, net	6,227,270	4,944,394
Total non-current assets	6,405,397	5,141,830
Total assets	7,321,476	6,152,452
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	1,094,128	1,256,837
Other post-employment benefits	1,477,702	1,318,602
Total deferred outflows of resources	2,571,830	2,575,439
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	173,944	528,853
Accrued payroll and withholding	105,398	77,880
Accrued compensated absences	47,092	37,364
Total current liabilities	326,434	644,097
<b>Non-current liabilities</b>		
Net pension liability	3,581,979	3,296,663
Net other post-employment benefits liability	3,062,789	2,633,565
Unearned revenue	-	91,916
Total non-current liabilities	6,644,768	6,022,144
Total liabilities	6,971,202	6,666,241
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	85,448	50,361
Other post-employment benefits	258,556	248,700
Total deferred inflows of resources	344,004	299,061
<b>NET POSITION</b>		
Investment in capital assets	6,405,397	5,141,830
Unrestricted	(3,827,297)	(3,379,241)
Total net position	\$ 2,578,100	\$ 1,762,589

The accompanying notes are an integral part of these financial statements.

# LOWCOUNTRY REGIONAL TRANSPORTATION AUTHORITY

## STATEMENTS OF NET POSITION JUNE 30, 2020 AND 2019

	2020	2019
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 272,544	\$ 238,580
Accounts receivable, net	411,249	649,767
Prepaid expenses	224,175	38,483
Inventory	102,654	84,170
Total current assets	1,010,622	1,011,000
<b>Non-current assets</b>		
Capital assets - nondepreciable	197,436	499,627
Capital assets - depreciable, net	4,944,394	3,984,793
Total non-current assets	5,141,830	4,484,420
Total assets	6,152,452	5,495,420
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	1,256,837	1,098,876
Other post-employment benefits	1,318,602	785,610
Total deferred outflows of resources	2,575,439	1,884,486
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	528,853	640,681
Accrued payroll and withholding	77,880	32,625
Accrued compensated absences	37,364	27,332
Total current liabilities	644,097	700,638
<b>Non-current liabilities</b>		
Net pension liability	3,296,663	2,582,547
Net other post-employment benefits liability	2,633,565	1,962,626
Unearned revenue	91,916	-
Total non-current liabilities	6,022,144	4,545,173
Total liabilities	6,666,241	5,245,811
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	50,361	66,739
Other post-employment benefits	248,700	160,514
Total deferred inflows of resources	299,061	227,253
<b>NET POSITION</b>		
Investment in capital assets	5,141,830	4,484,420
Unrestricted	(3,379,241)	(2,577,578)
Total net position	\$ 1,762,589	\$ 1,906,842

The accompanying notes are an integral part of these financial statements.

## **Palmetto Breeze Transit/Breeze Trolley** **Update for the Town of Hilton Head Island**

In 2023, Palmetto Breeze provided its daily commuter service to and from Hillton Head Island, the seasonal Breeze Trolley service, the weekend Coligny Beach Parking Shuttle (from May to September), and a variety of special request transportation services. We estimate that the Town's 2023 \$277,842 affiliated agency grant investment returned \$1,389,210 (according to APTA-standard economic impact ratio of 5X) in economic benefits to the community. Additionally, the seasonal Breeze Trolley service provided significant congestion relief and enhanced the Island experience for thousands of visitors and residents alike.

### **Summary of 2023 Breeze Trolley Season**

Hilton Head Island's Breeze Trolleys delivered a total of approximately 34,500 passenger trips for the entire 2023 season, representing steady use of the trolley service year-over-year. Total ridership was down when compared to the 2021 and 2022 seasons, attributable to an island-wide reduction in occupancy rates as well as numerous adverse weather days in July and August. We estimate this equates to keeping approximately 12,000 cars off the Town's roadways during the peak season.

Additional 2023 Season highlights included:

- We installed a new trolley stop on Folly Field Road near Adventure Cove/Lucky Beach, and updated all maps and signage along both routes.
- Throughout the season, we used the cutaway-style vehicles to serve the Mid-Island Route to reduce noise along Folly Field Road.
- We earned more than 1,500 new Facebook followers, representing a 35% percent increase. Most of these followers (about 80%) are from outside the HHI/Savannah area.
- Our Facebook reach increased 68%, year over year.
- Our Facebook visits increased 382%, year over year.
- Passenger reviews online and in person were consistently positive, especially concerning trolley operator courtesy, convenience, the free fares, and the new route changes.
- A total of 35,000 20-panel Rider's Guides were printed and distributed throughout the season. The Guides were made possible due to advertising support from numerous local businesses and organizations, mostly located along the trolley routes.
- The BreezeTrolley.com website traffic increased in 2023. We experienced 35,796 site sessions, from 25,945 unique visitors from the end of the 2022 season to the end of the 2023 season. Total page views was 88,799.
- The onboard experience was enhanced in 2023 with the addition of a weekly events posting listing all the special activities occurring that week along the routes.

- 2023 promotions included several special ride-along events, adjustments for the July 4th fireworks in Shelter Cove, and the introduction of the “talking trolley” vehicle annunciator system to enhance pedestrian and bicycle safety around the trolleys.
- The last weekend of August (between the end of the high travel season and the Labor Day weekend) we again conducted a special promotion called “Breeze Trolley ROCKS! – A Ride and Find Adventure” involving painted rocks for passengers to find, re-hide and share on social media. This second annual event was very popular amongst our passengers and followers, and included a rock-painting party at The Art Café, and prize packages with contributions from more than a dozen of our trolley partners. The result was a weekend of ridership on par with other similar summer weekends instead of experiencing a drop in ridership as the number of visitors riding trailed off.
- An additional 1,300 passengers were transported to support the Culture HHI Lantern Parade activities in November.

### **Comparison of 2023 Ridership to Previous Seasons**

<b>Service Year</b>	<b>Notes</b>	<b>Total Passengers</b>
2018	Inaugural year (July to Oct)	5,000
2019	First Full season (April to Sept)	18,000
2020	COVID-shortened (late Jun-Sept); fare-free	4,400
2021	Full season (April to Sept); fare-free; added Mid-Island Route	52,000
2022	Full season (April to Sept); fare-free; adjusted both the Mid-Island and South Island Routes	43,000
2023	Full season (April to Sept); fare-free	34,500

### **Expected Public Benefit**

The most important benefit to the Town’s citizens, visitors, and the community as a whole is the enhanced mobility and access to jobs provided by Palmetto Breeze’s daily commuter services. With limited workforce housing in the immediate area, the Island’s economy depends heavily on cost-effective, daily commuter services for employees to access jobs.

Additionally, the Breeze Trolley service has become an enhancement to the Island Experience for thousands of annual visitors, and is significantly contributing to reduced congestion on the Town’s roadways. With the Town’s implementation of the beach parking plan in 2023, the Breeze Trolley alternative will become an even more important piece of the Island’s mobility solution.