



MEMORANDUM

TO: Timothy J. Baroody, City Manager
FROM: Jamie Jackson, Director of Transit
Mark Whitley, Assistant City Manager
SUBJECT: Amending the FY 2021 Budget for Marketing and Branding for FRED Transit
DATE: February 16, 2021 (for the February 23, 2021 City Council meeting)

ISSUE

Amendment of the City Council FY 2021 budget to appropriate \$155,000 for the Transit Fund for marketing and branding for Fredericksburg Regional Transit.

RECOMMENDATION

Staff recommends the approval of the attached resolution, on first reading. Second reading and final approval would be scheduled for the March 9, 2021 City Council meeting.

DISCUSSION

Fredericksburg Regional Transit provides transit services for the Fredericksburg region, including; the City, Spotsylvania, and Stafford counties. FRED's future includes transit service paralleling identified regional growth, increased transit awareness, and a service delivery and execution strategy similar to what is currently occurring throughout the region and which has recently occurred with the City.

An element of this strategy is through a marketing and rebranding project to solidify FRED Transit's identity. Historically, FRED has used the support of volunteers, Public Transit Riders Advisory Board (PTAB) members, and other resources for ad-hoc components of marketing and branding. However, as FRED has matured as a transit system it needs to ensure a cohesive image and message with supporting plans, content, creative work, and materials. This work, along with a targeted strategy to highlight FRED's services to the public, will demonstrate its benefits to current riders, provide a mechanism to market and attract new riders and promote initiatives.

The project will create a brand for FRED that reflects the professionalism of the transit system. The marketing and rebranding effort will include design, targeted transit marketing, rebranding, customer outreach and communications. The deliverables include:

- The creation of a brand identity and collateral material,
- a Marketing and Rebranding Plan that will develop, enhance and promote a sustainable regional identity that will enhance service coordination and marketing efforts,
- Create an image for the transit network that includes all potential user groups and encourage usage among target markets (ex. commuters) with transportation needs, and

- Build awareness for transit service and amenities that are and will be available and how to access those services.

FISCAL IMPACT

The attached resolution will amend the budget to allow for \$155,000 of local funds to be used for marketing and branding efforts at Fredericksburg Regional Transit.

The funding plan is to utilize \$100,000 of the Fund's contingency amount of \$140,000 – leaving \$40,000 for the balance of FY 2021 in the contingency account. The balance of \$55,000 would be funded through the use of fund balance for the Transit Fund. This fund is an enterprise fund, and the net position at the close of FY 2020 is \$22.3 million, of which \$10.98 million is cash available for use.

The total appropriation in Fund 503 would increase by the additional use of fund balance - \$55,000, for a new total of \$7,718,760.

Attachments: Resolution



MOTION:

February 23, 2021

SECOND:

Regular Meeting

Resolution 20-__

RE: Amending the Fiscal Year 2021 Budget to Appropriate \$155,000 for Fredericksburg Regional Transit for Marketing and Branding Assistance

ACTION: APPROVED: Ayes: 0; Nays: 0

The City of Fredericksburg currently operates the FREDericksburg Regional Transit system, which serves the Counties of Spotsylvania, Stafford, and the City of Fredericksburg. FRED Transit is currently working to update marketing and branding efforts in an effort to increase awareness of the transportation options provided by the system and attract more riders.

System resources are available to hire the assistance of a professional marketing and branding consulting firm for this important work. The FY 2021 budget needs to be amended to provide the funding authorization for the work.

Therefore, the City Council hereby amends the budget in the Transit Fund (Fund 503) as follows:

Transit Fund (Fund 503)

Sources:

Transit (City)

Transit Fund Contingency	503 499100	\$ 100,000
Total Transit (City)		<u>\$ 100,000</u>

Fund Balance – Transit Fund

Transit Fund Balance	503 361010	\$ 55,000
Total Fund Balance – Transit Fund		<u>\$ 55,000</u>
Total Sources		<u>\$ 155,000</u>

Uses:

Transit (City)

Professional Services – Other	50398510 481050	\$ 155,000
Total Transit (City)		<u>\$ 155,000</u>
Total Uses		<u>\$ 155,000</u>

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 20-__, adopted at a meeting of the City Council held Date, 2020, at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council