

## Aparc Systems - St. Louis Integrated Parking Management System - ROI

Based on Aparc's industry experience, we suggest several avenues of cost savings and revenue increases in the ROI projections below. Please note, however, that these are anticipated *potential* values based on the City's existing revenues provided in the responses to vendors' questions. Actual perceived cost savings and revenue increases will depend on a variety of factors, including staffing arrangements with Hudson and the City's specific rate increases (if implemented).

### **Current Program**

Parking Meter Revenues	\$3,884,821
Parking Violation Revenues	\$6,325,520
<b>Total Revenues</b>	<b>\$10,210,341</b>
Parking Meter Outsourcing Expenses	(\$1,718,226)
Parking Violation Outsourcing Expenses	(\$1,866,604)
<b>Total Annual Expenses</b>	<b>(\$3,584,830)</b>

<b>Current Net Revenues</b>	<b>\$6,625,511</b>
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### **New Program**

Parking Meter Revenues	\$3,884,821
New Parking Revenue Increases:	
20% from providing more convenient payment options	\$776,964
25% from a conservative parking rate increase	\$971,205
Parking Violation Revenues	\$6,325,520
New Parking Violation Revenue Increases	
25% overall increase from increased citation yield, compliance and payment options	\$1,581,380
20% from a conservative parking violation fine increase	\$1,265,104
<b>Anticipated Total Revenues</b>	<b>\$14,804,994</b>
Parking Meter and Violation Outsourcing Expenses (Hudson)	(\$4,164,000)
Cost Savings	
Initial cost reduction (Hudson's reduced budget)	\$840,000
Savings on required staffing and services*	\$834,000
Capital Expenditure on New Equipment (5-year lease term)**	(\$935,552)
Operating Expenses for New Equipment**	(\$872,454)
<b>Total Annual Expenses</b>	<b>(\$4,298,006)</b>

<b>New Net Revenues</b>	<b>\$10,506,988</b>
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<b>Overall Anticipated Increase in Net Revenue</b>	<b>59%</b>
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\* Aparc will rely on our service partner, Hudson and Associates, LLC, to assess changes in workload as a result of the increased efficiencies with the new system. Realized cost savings provided by staffing cuts will be determined and agreed upon between the City and Hudson and Associates.

\*\* Annual costs; please refer to section 4.0 Cost (provided in the separate envelope) for details.