



OmniRide Budget Proposal

FY 2022 Proposed PRTC Budget

February 11, 2021

Budget Challenges

- COVID-19 Impacts on FY2021 and FY2022
 - Bus service and ridership levels
 - Farebox revenue
 - Ongoing costs to mitigate risks
 - Anticipated second round Federal CARES Act funding to close the gap
- Opening of new western facility in FY2021
 - Western service to operate out of new facility starting spring 2021
 - Bus contractor rate for two facilities and current service levels to be negotiated

FY2022 Budget

	Operating	Capital	Total
Revenues			
Passenger Revenue	5,508,700	-	5,508,700
Federal Grants	8,412,200	5,608,700	14,020,900
State Grants	9,903,600	4,590,500	14,494,100
Jurisdictional Subsidies	16,679,600	925,700	17,605,300
Other	285,700		285,700
Total Revenues	40,789,800	11,124,900	51,914,700
Operating Expenses			
Salaries	4,246,200		4,246,200
Fringe Benefits	1,625,700		1,625,700
Professional Services	1,726,300		1,726,300
Software Maintenance	768,100		768,100
Facility, Shelter, Equipment Maintenance	813,400		813,400
Bus Service Contract/Incentives	24,974,500		24,974,500
Advertising/Printing	704,800		704,800
Utilities and Communications	702,700		702,700
Other Services and Supplies	896,000		896,000
VanPool	1,657,500		1,657,500
Fuel	2,674,600		2,674,600
Subtotal Operating Expenses	40,789,800	-	40,789,800
Capital Expenses			
Bus Replacement		6,851,200	6,851,200
Bus Expansion		3,066,800	3,066,800
Bus Related Equipment		87,400	87,400
Software		456,000	456,000
Hardware		75,300	75,300
Furniture and Equipment		292,700	292,700
VRA Loan Debt Service		295,500	295,500
Total Capital Expenses	-	11,124,900	11,124,900
Total Expenses	40,789,800	11,124,900	51,914,700



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FY2021/FY2022 Budget Comparison

	FY2021 Budget	FY2022 Budget	Difference
Revenues			
Passenger Revenue	10,786,200	5,508,700	(5,277,500)
Federal Grants	8,641,400	14,020,900	5,379,500
State Grants	14,097,600	14,494,100	396,500
Jurisdictional Subsidies	19,792,700	17,605,300	(2,187,400)
Other	357,400	285,700	(71,700)
Total Revenues	53,675,300	51,914,700	(1,760,600)
Operating Expenses			
Salaries	4,087,600	4,246,200	158,600
Fringe Benefits	1,559,300	1,625,700	66,400
Professional Services	1,939,300	1,726,300	(213,000)
Software Maintenance	714,800	768,100	53,300
Facility, Shelter, Equipment Maintenance	805,000	813,400	8,400
Bus Service Contract/Incentives	26,323,900	24,974,500	(1,349,400)
Advertising/Printing	655,000	704,800	49,800
Utilities and Communications	633,100	702,700	69,600
Other Services and Supplies	668,400	896,000	227,600
VanPool	1,697,500	1,657,500	(40,000)
Fuel	3,170,200	2,674,600	(495,600)
Subtotal Operating Expenses	42,254,100	40,789,800	(1,464,300)
Capital Expenses	11,421,200	11,124,900	(296,300)
Total Expenses	53,675,300	51,914,700	(1,760,600)



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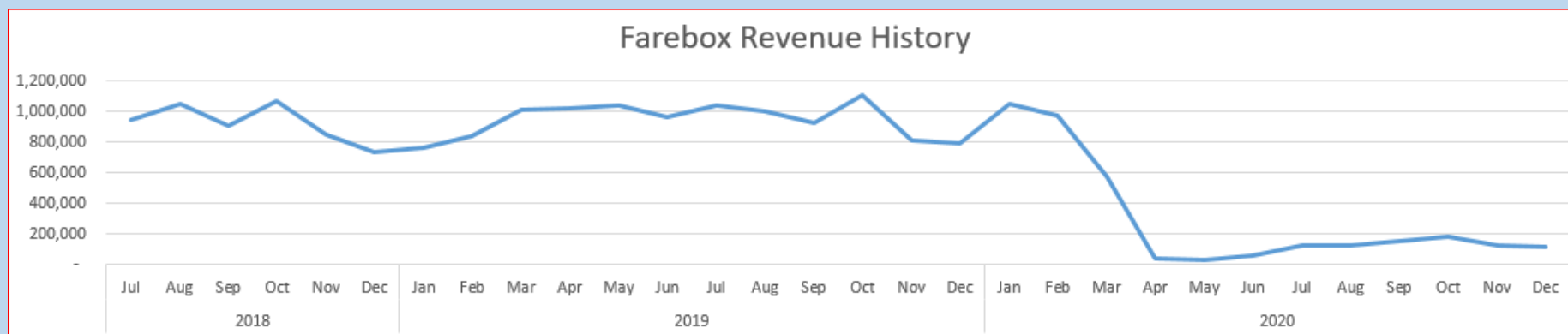
Revenue Categories

	Operating	% of budget		Capital	% of budget
Passenger Revenue	\$ 5.51 M	13.51%		-	-
Federal Grants	\$ 8.41 M	20.62%		\$ 5.61 M	50.42%
State Grants	\$ 9.90 M	24.28%		\$ 4.59 M	41.26%
Jurisdictional Subsidies	\$ 16.68 M	40.89%		\$ 0.93 M	8.32%
Other	\$ 0.29 M	0.70%		-	-
Total	\$ 40.79 M	100%		\$ 11.12 M	100%

Revenue Assumptions

➤ Passenger Revenue

- No fare increase in FY2022
- Continued free fares for Metro Express, Local, East-West Express and Access
- Ridership estimated at 47% compared to pre-COVID levels



Revenue Assumptions (continued)

➤ Federal Grants

- Section 5307 funding – assumes relatively steady funding for preventive maintenance, including Vanpool Alliance Program earnings
- Section 5337 funding – continued loss of high intensity motor bus funding due to opening of HOT lanes
- Section 5339 funding – must be used for vehicle purchase instead of preventive maintenance

Revenue Assumptions (continued)

- Federal CARES Act funding
 - PRTC allocated \$9.3 million in first round (\$900K to be applied later)
 - PRTC direct expenses and reimbursement from operating expenses less revenue
 - \$2.6 million through 6/30/2020
 - \$1.4 million : 7/1/2020-10/31/2020
 - Remaining \$4.4 million is projected to last through 7/31/2021
 - Estimate \$4.3 million from second round of CARES Act funding

Revenue Assumptions (continued)

➤ State Grants

- Operating assistance (based on combination of agency's size and performance factors)-assumed 4% decrease from FY2021 actuals
- Capital assistance
 - 68% for state of good repair (i.e., vehicle purchase/overhauls)
 - 0% for all other capital (i.e., hardware, software, furniture/equip)

➤ Commuter Choice Grants

- Continued support of current funded service

Revenue Assumptions (continued)

- Operating Carryforward – \$1.4 million from FY2020 to support FY2022 budget by reducing PRTC subsidy payment
- Motor Fuels Tax Revenue
 - Revised FY2021 projections based on 475.5 million gallons annually for PRTC member jurisdictions (Flat with FY2020) and 476.9 million gallons for FY2022 (0.3% increase)
 - Reduced by PRTC's share of the Commuter Rail Operating and Capital Fund (CROC)-based on PRTC's percentage of the VRE subsidy (63.1% or \$9.47 million for FY2022)
- Jurisdictional Fuel Tax Fund Balance
 - Prince William County continues to use NVTa 30% funds for VRE subsidies
 - Prince William County: Projection of positive fund balance through FY2022
 - Manassas City: Projection of positive fund balance through FY2022

Operating Expense Categories

	Amount	% of budget
Salaries	\$ 4.25 M	10.41%
Fringe Benefits	\$ 1.63 M	3.99%
Professional Services	\$ 1.73 M	4.23%
Software Maintenance	\$ 0.77 M	1.88%
Facility, Shelter, Equipment Maintenance	\$ 0.81 M	1.99%
Bus Service Contract/Incentives	\$ 24.97 M	61.23%
Advertising/Printing	\$ 0.70 M	1.73%
Utilities and Communications	\$ 0.70 M	1.72%
Other Services and Supplies	\$ 0.90 M	2.20%
VanPool	\$ 1.66 M	4.06%
Fuel	\$ 2.67 M	6.56%
Total	\$ 40.79 M	100%

Service Assumptions

- Friday only service levels for entire fiscal year (85% of service)
- No expansion other than state-sponsored services associated with the I-95/395 & I-66 transit/TDM plan and commuter choice program
- Modest contingency of six daily platform hours to allow for schedule adjustments and to ease chronic overcrowding

Expense Assumptions

- FY2022 Bus contractor rate-negotiation in process (service operating out of two facilities and current service levels)
- Western facility operating costs-\$400K
- No new FTEs
- COLA/Merit-3%
- Compensation study implementation - \$150K
- Wheels-to-Wellness Program (\$150K/year –PWC)
- Electric bus feasibility study (\$150K-50% state; 50% bus sponsoring jurisdictions)
- Diversity, inclusion study recommendations-\$117K

Diesel Fuel

- | | <u>FY2021</u> | <u>FY2022</u> |
|--|---------------|---------------|
| • Diesel Fuel | \$3.17 M | \$2.67 M |
| • Estimated gallons | | 1.3 M |
| • Estimated price per gallon | | \$2.00 |
| • Fuel Futures/Hedging for FY2022 (7/1/2021 – 6/30/2022) | | |

Capital Expenditures

	FY2021	FY2022	Difference
Bus Replacement	\$ 5.21 M	\$ 6.85 M	\$ 1.64 M
Bus Expansion	\$ 4.11 M	\$ 3.07 M	(\$ 1.04) M
Bus Related Equipment	\$ 0.18 M	\$ 0.08 M	(\$ 0.10) M
Bus Shelter	\$ 0.15 M	\$ 0.00 M	(\$ 0.15) M
Software	\$ 0.52 M	\$ 0.46 M	(\$ 0.07) M
Hardware	\$ 0.53 M	\$ 0.08 M	(\$ 0.45) M
Furniture and Equipment	\$ 0.43 M	\$ 0.29 M	(\$ 0.14) M
VRA Loan Debt Service	\$ 0.29 M	\$ 0.30 M	\$ 0.01 M
Total	\$ 11.42 M	\$ 11.12 M	(\$ 0.30) M

- Bus replacement-\$6.85 M-Federal, CMAQ, State/Local (11 Express)
- Bus expansion- \$3.07 M -100% grant funded (4 Express & 1 Local)

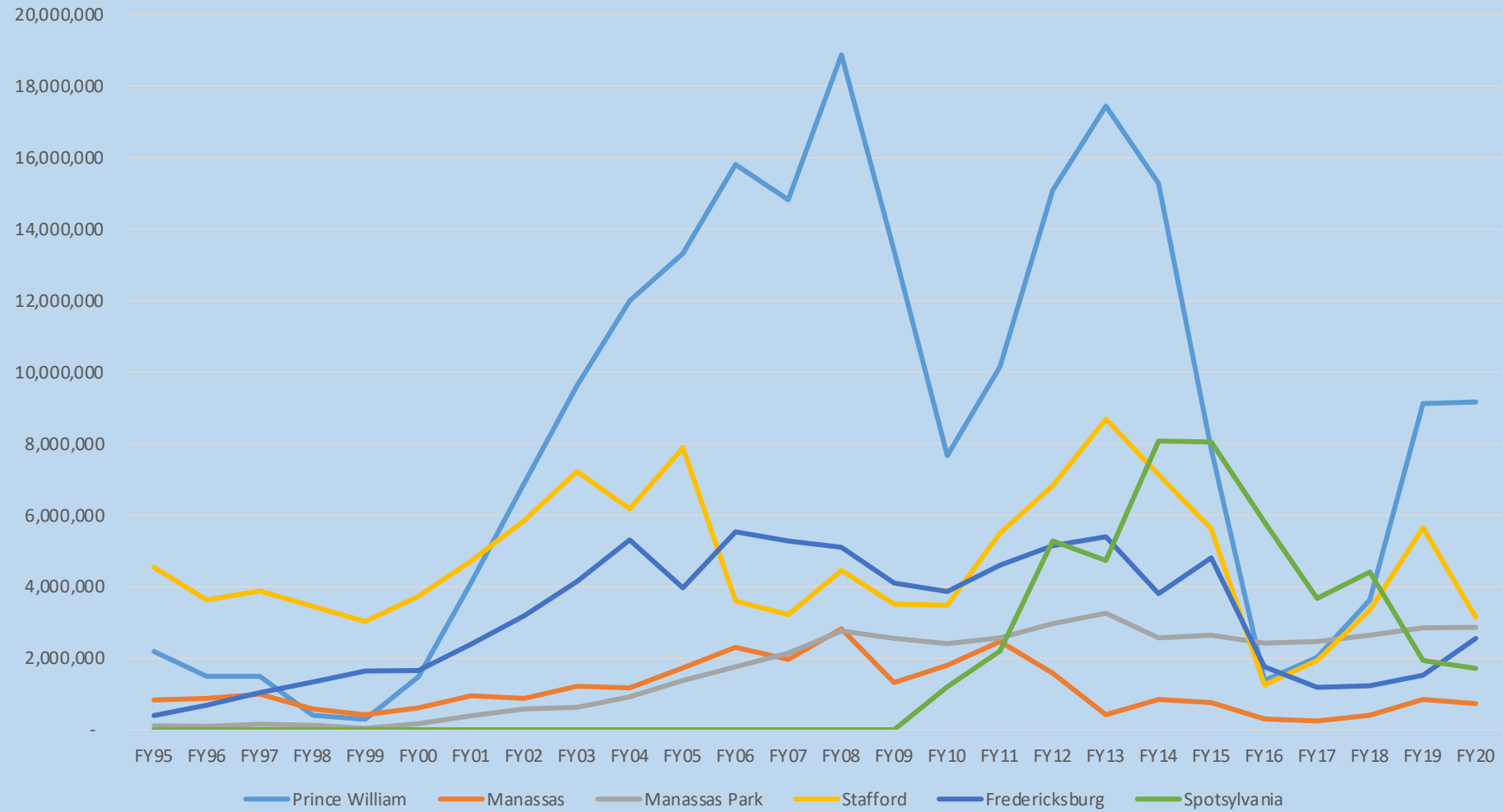
Local Subsidy in Brief

Jurisdiction	FY2021	FY2022	% Change
Prince William	\$ 18.882 M	\$ 16.762 M	(11)%
Manassas	\$ 0.383 M	\$ 0.364 M	(5)%
Manassas Park	\$ 0.203 M	\$ 0.193 M	(5)%
Stafford	\$ 0.131 M	\$ 0.111 M	(15)%
Fredericksburg	\$ 0.048 M	\$ 0.034 M	(29)%
Spotsylvania	\$ 0.146 M	\$ 0.141 M	(3)%
PRTC Local Subsidy (Excluding VRE)	\$ 19.793 M	\$ 17.605 M	(11)%



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Fuel Tax Balance History



Next Steps

- February: Board approves transmittal of PRTC budget to jurisdictions
- Spring: Public hearings on FY2022 budget and federal grant applications
- April/May: Jurisdictional approval
- June: Commission Approval



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Questions?



Thank you!

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