



FY25 Budget Deficit Action Plan

May - June 2024



Summary of Key Proposed FY25 Budget Dates

- December 7, 2023: PRTC Commission Meeting & Budget Workshop
- March 7, 2024: PRTC Commission Meeting with Proposed Budget
- March - April 2024: Jurisdictional Budget Presentations & Approvals
- **May 2, 2024: PRTC Commission Meeting with Budget Amendments & Balanced Budget Service Plan**
- May 15, 2024: Public Hearing on Proposed FY Budget & Service
- June 6, 2024: PRTC Commission Meeting with final Amendments & Formal adoption of the FY25 Budget



Key Events Impacting Operational Budget

- April 2, 2024: Budget Presentation to Prince William BOCS w/ **Motor Fuels Tax \$13M Deficit Projection** (Projected in FY20*)
- April 9, 2024: Prince William County Executive Budget recommends **\$9.1M (~70%) of deficit** via non-general fund county resources
- April 22, 2024: PRTC FY25 Information-only review of Potential Service Impacts & Alternatives
- April 23, 2024: Prince William BOCS **adds \$700K (\$9.8M total)** leaving **\$3.2M Motor Fuels Tax deficit**



*COVID-19 Funds delayed deficits in FY22, FY23 & FY24 Motor Fuels Tax

FY2025 Balanced Budget Service Plan

Continued Priorities:

- Ridership Growth (fares & formula grants)
- Ongoing fiscal management & cost-containment
- Reduced admin expenses & non-essential prof servc/overhead
- Sought additional state resources for FY25



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Immediate Action: Reduce PWC Operating Expense by ~\$3.2M

- Locally-funded express services impacted first
- Impacted routes would have nearby alternatives: (ie, different Route or Park & Ride lot)
- Route Restructure/Consolidation (shorten/combine)
- Service Area & Span-of-Service (where/how much)
- Trip Frequency (fewer trips)



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Recommendation: No reductions in local routes

- Local routes do not have available alternatives
- !!Ridership growing!! (now 50% of system ridership) despite low-frequency and limited coverage
- New eastern local service restructure starts June 10, 2024
- Continue with zero fare for local routes



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Option A: Fare Increase & Service Reductions

Fare Increase Overview

- \$2.00 express fare increase (from \$9 to \$11)
- Increase unlimited-ride monthly pass from \$265 to \$285
- Estimated **\$2M** in “new” express fare revenues, **\$650K** local

*Reduce locally-funded services by **\$2.6M****



*annualized reduction of **\$3.1M** to offset net fare loss and prorated operational expenses

Recommendation on Fares:

Continued Zero Fare Program vs Fares on Local Routes

- Title VI Requires acceptance of cash on local routes (unbanked)
- Reintroduction of half-fare program
- Spring 2023 internal estimate of Fare Collection costs: \$653K
- Estimated local route revenue: \$450K
- Loss of ridership
- Excludes all farebox repair costs

Operating Cost	Weekly Hours	Annual Hours	Rate	Amount
PRTC				
Customer Service Associates	15	780	\$46.26	\$36,100
Customer Service Associates	15	780	\$46.26	\$36,100
Department Administrator	10	520	\$46.26	\$24,100
Associates Accountant	15	780	\$45.03	\$35,100
Deputy Director	0.5	26	\$85.08	\$2,200
Director	0.5	26	\$153.64	\$4,000
Bank Fee				\$9,600
Contractor Cost				
Associate	40	2080	\$45.00	\$93,600
Supervisor	20	1040	\$60.00	\$62,400
Maintenance	40	2080	\$60.00	\$124,800
Parts/Materials				\$100,000
Armored Car				\$125,000
				\$653,000
Capital Cost				
	# of Buses		Unit Cost	Total Cost
Farebox	150		\$40,000	\$6,000,000
				0



Recommendation on Fares:

Increase Express Fares by \$2.00

- ~\$2M in new fares; before net impact of service reductions
 - ~\$1M offsets PWC costs
 - ~\$1M offsets state costs
- Majority of riders use SmartBenefits:
 - \$315 monthly, no out-of-pocket cost
 - Use-it-or-lose-it benefit
- OmniRide is cashless since Fall 2020: falls outside Title VI requirements
- Migrate riders to unlimited ride pass



Welcome to SmartBenefits®
*your online solution for distributing,
accounting and using transit benefits.*

LOGIN

Customer ID

User ID

Password

I have read and agree with the SmartBenefits [terms and conditions.](#)

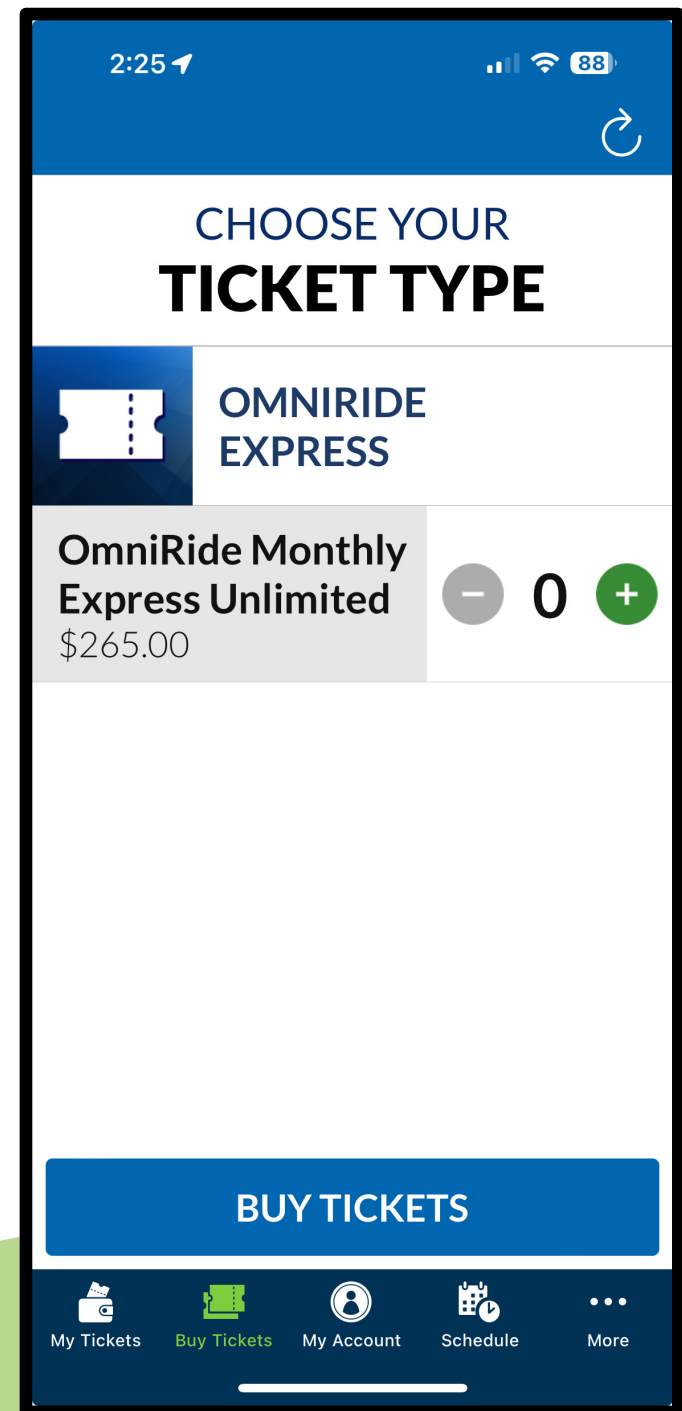
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Recommendation on Fares:

Increase Monthly Fare by \$20

- App-only Option: SmartBenefits or Credit Card
 - \$285 collects 90% of SmartBenefits amount
 - Leaves 10% for other use (Metro/VRE)
- Well below out-of-pocket costs (\$360) to a daily rider without SmartBenefits
- Collect full monthly amount regardless of how often person rides
- Stable revenue (govt shut-downs, weather, holidays, etc.)



FY2025 Balanced Budget Service Plan

Summary of Option A: Recommended Service Changes:

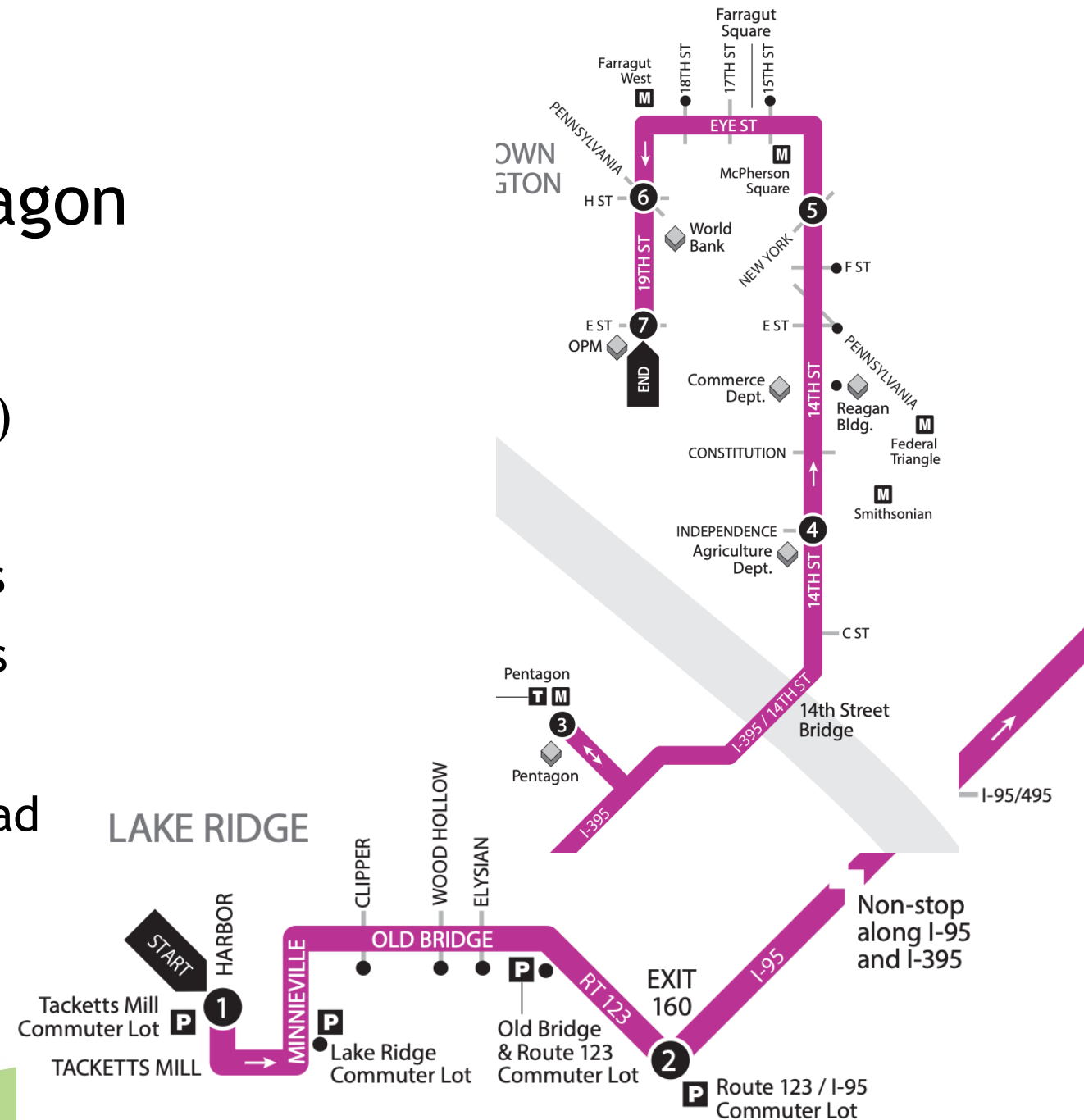
- I-95 Corridor: Reduced **\$708K** (net fuel and fares)
- Reduce Route 981: Lake Ridge (**\$292K**)
- Eliminate 3 Suspended Routes (since January 2023)
 - RS1: South US1 to Pentagon (budgeted/not expended) (**\$416K**)
 - D-400: Dale City to Mark Center (unbudgeted/not expended)
 - Woodbridge/Tysons (unbudgeted/not expended)

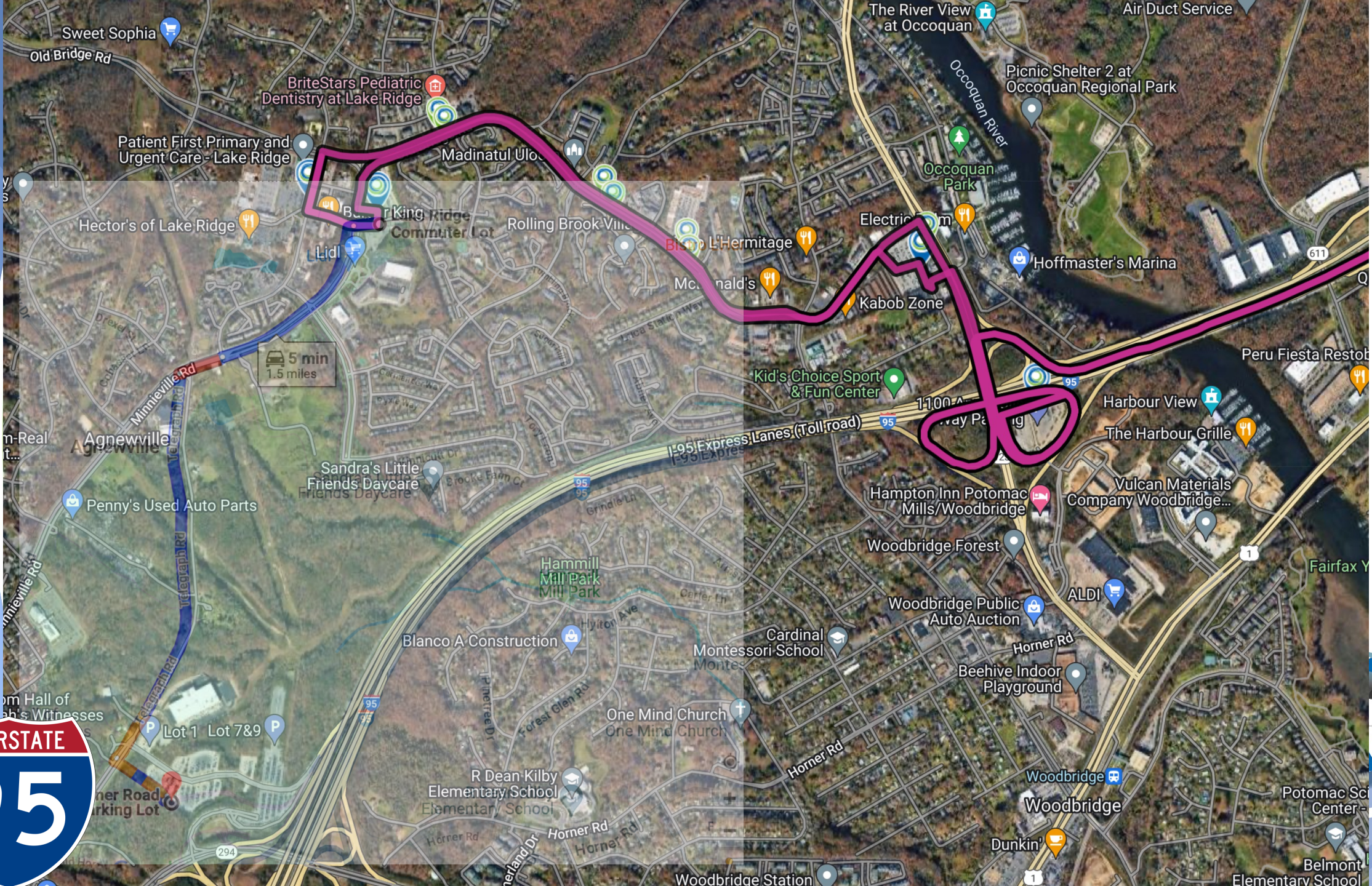


Reduce Route: 981: Lake Ridge to Pentagon / Washington, DC

(originally planned for elimination)

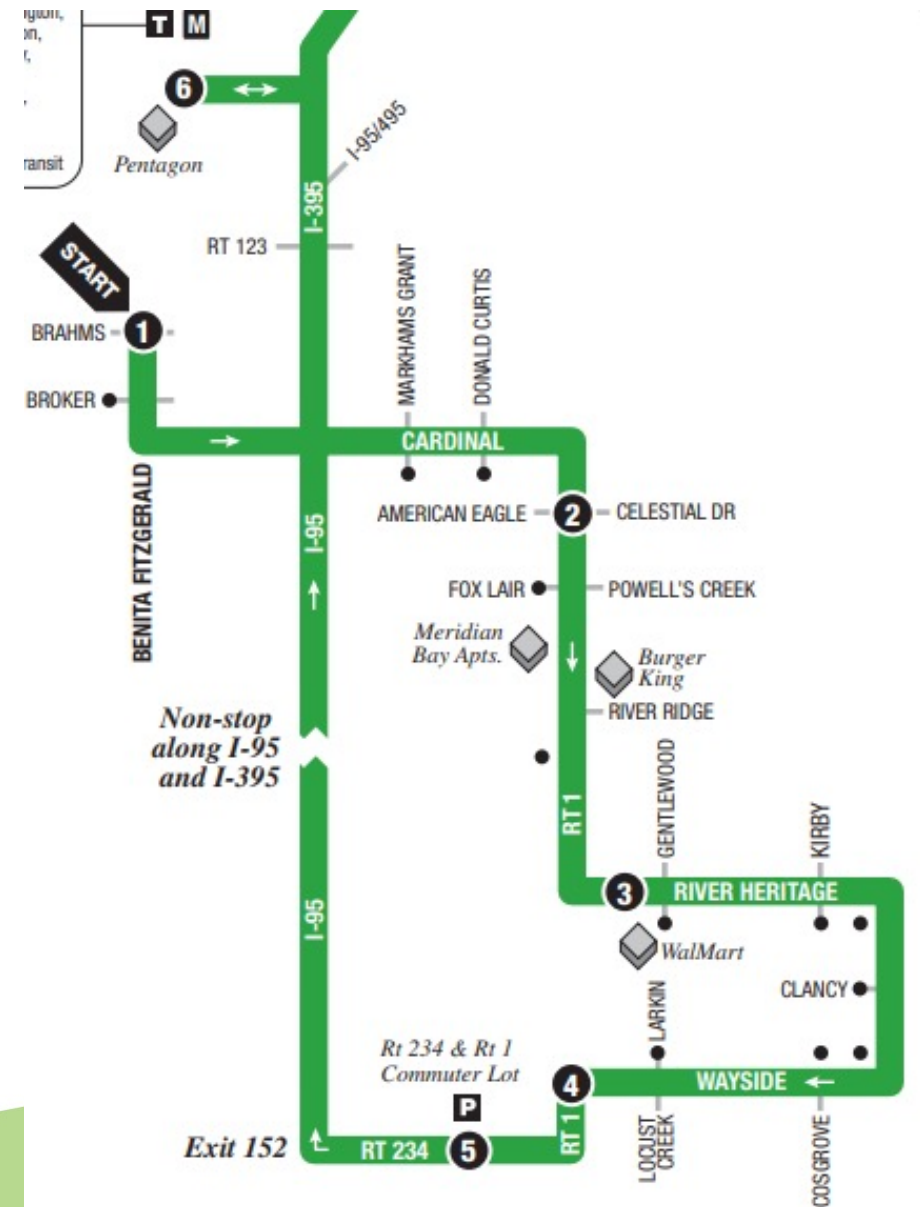
- Reduce number of trips (50%)
 - From 7 AM trips to 4 AM trips
 - From 9 PM trips to 5 PM trips
- Alternative service:
 - Telegraph Road & Horner Road Commuter Lots (1.5 miles)
 - Dale City (aka Gemini Lot)
- Savings: 2,550 annual platform hours & **\$292K** net expense





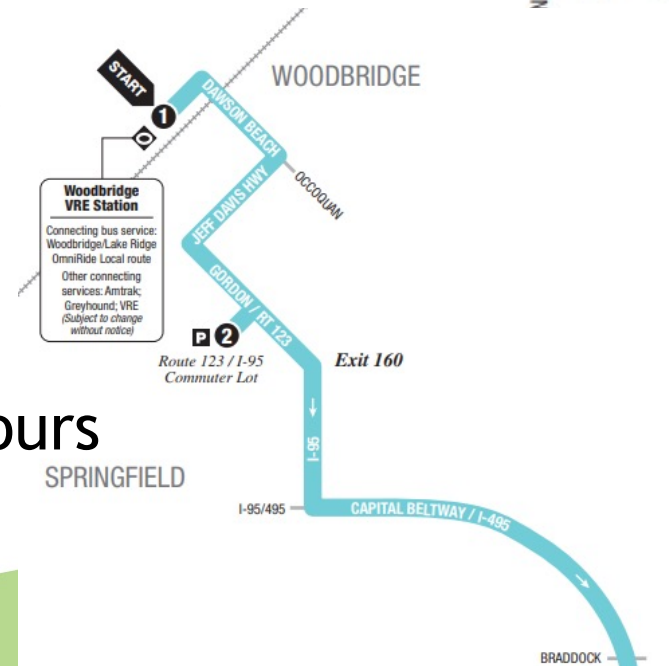
Eliminate Route: RS1: South Route 1 to Pentagon / Washington, DC

- Budgeted but unexpended in FY24
- Suspended since Jan. 2023;
Passengers already adapted
- Alternate service available at Route
234 Commuter Lot
- Savings: 3,538 annual platform
hours & **\$416K** net expense



Eliminate 2 Routes: D-400 - Dale City to Mark Center & Woodbridge to Tysons

- Suspended since Jan. 2023
- State Funded Route
- Platform Hours saved in FY23 budget and beyond
- Requires formal process for elimination
- Savings: 0 annual platform hours & \$0K net expense



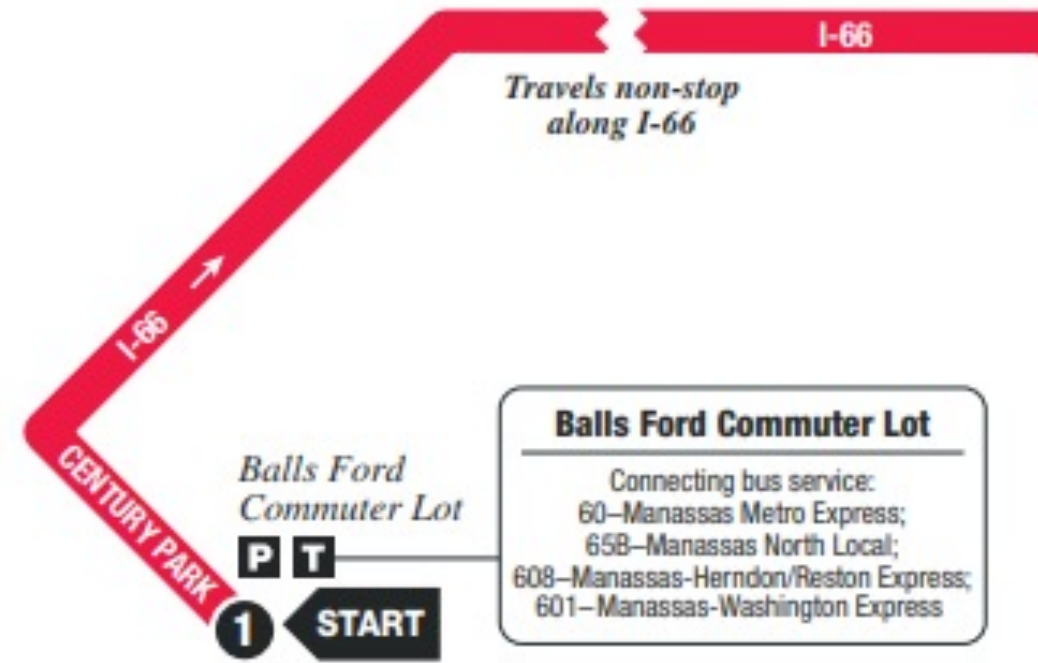
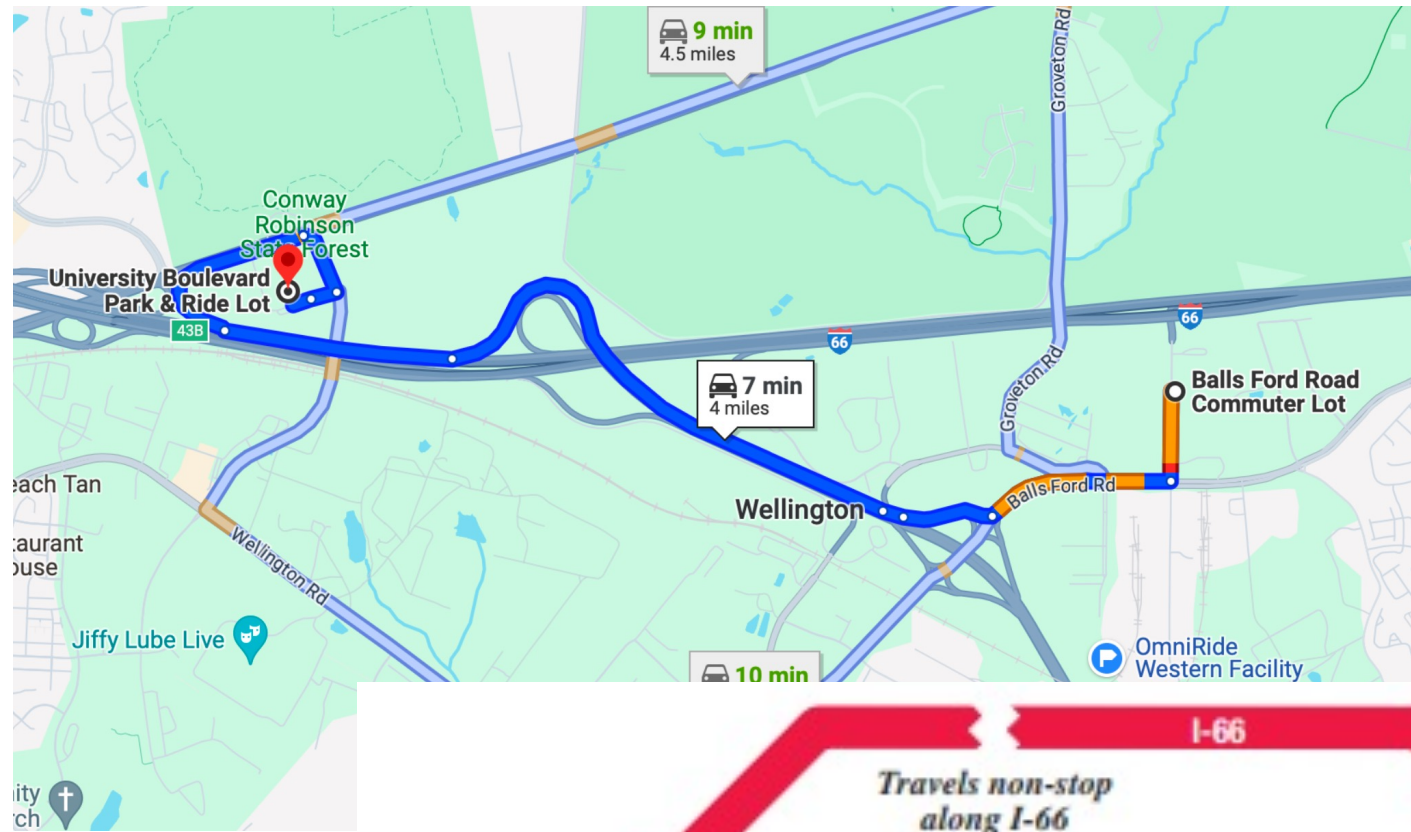
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- I-66 Corridor: Reduced **\$2.4M** (net fuel and fares)
- Eliminate Route 602: Manassas to Pentagon: (**\$1.2M**)
 - All passengers moved to 612: Gainesville to Pentagon/Navy Yard (already in service from University Lot)
- Reduce & Relocate 601: Manassas to Washington, DC (**\$727K**)
- Reduce & Truncate Route 60: Manassas to Tyson's Metro Express (**\$523K**)
- Eliminate 1 Suspended Route (since Jan 2023)
 - Route 62: Western Lot Connector (unbudgeted/not expended)



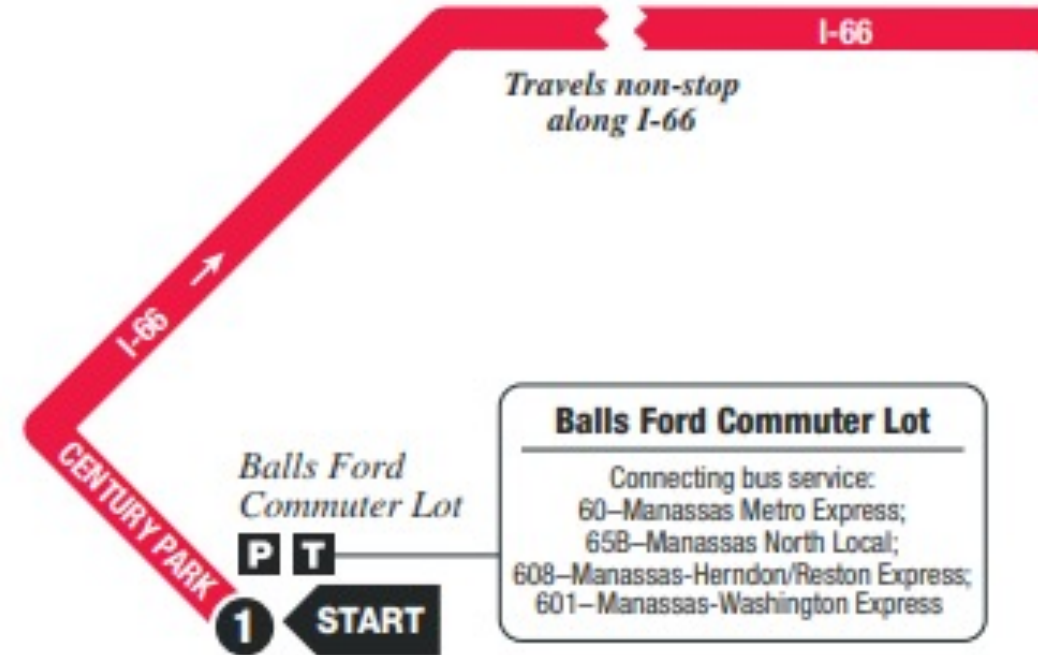
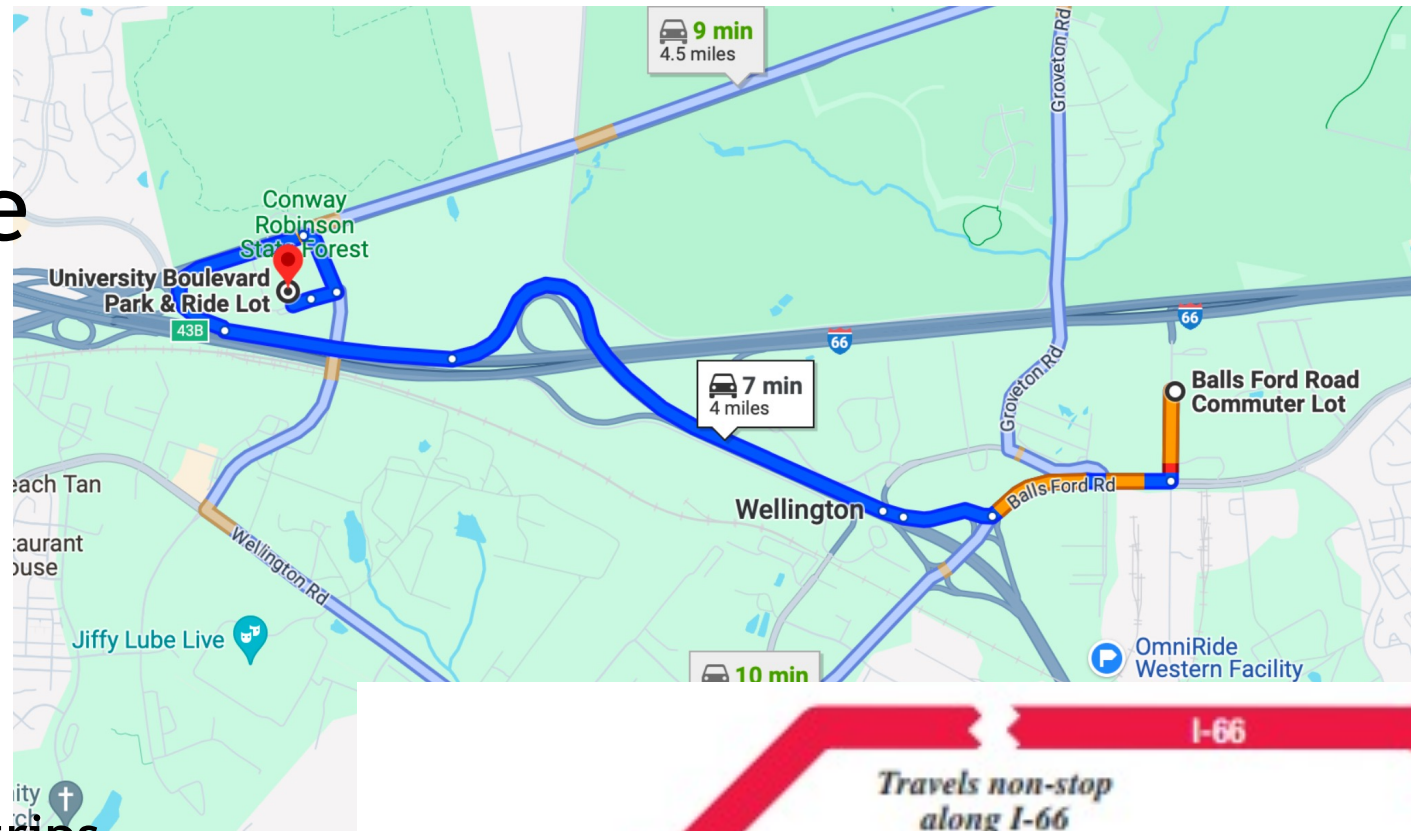
Eliminate Route: 602: Manassas to Pentagon

- Move ALL passengers to Route 612: Gainesville to Pentagon at University Lot
- Savings: 6.897 annual platform hours & **\$1.2M** net expense



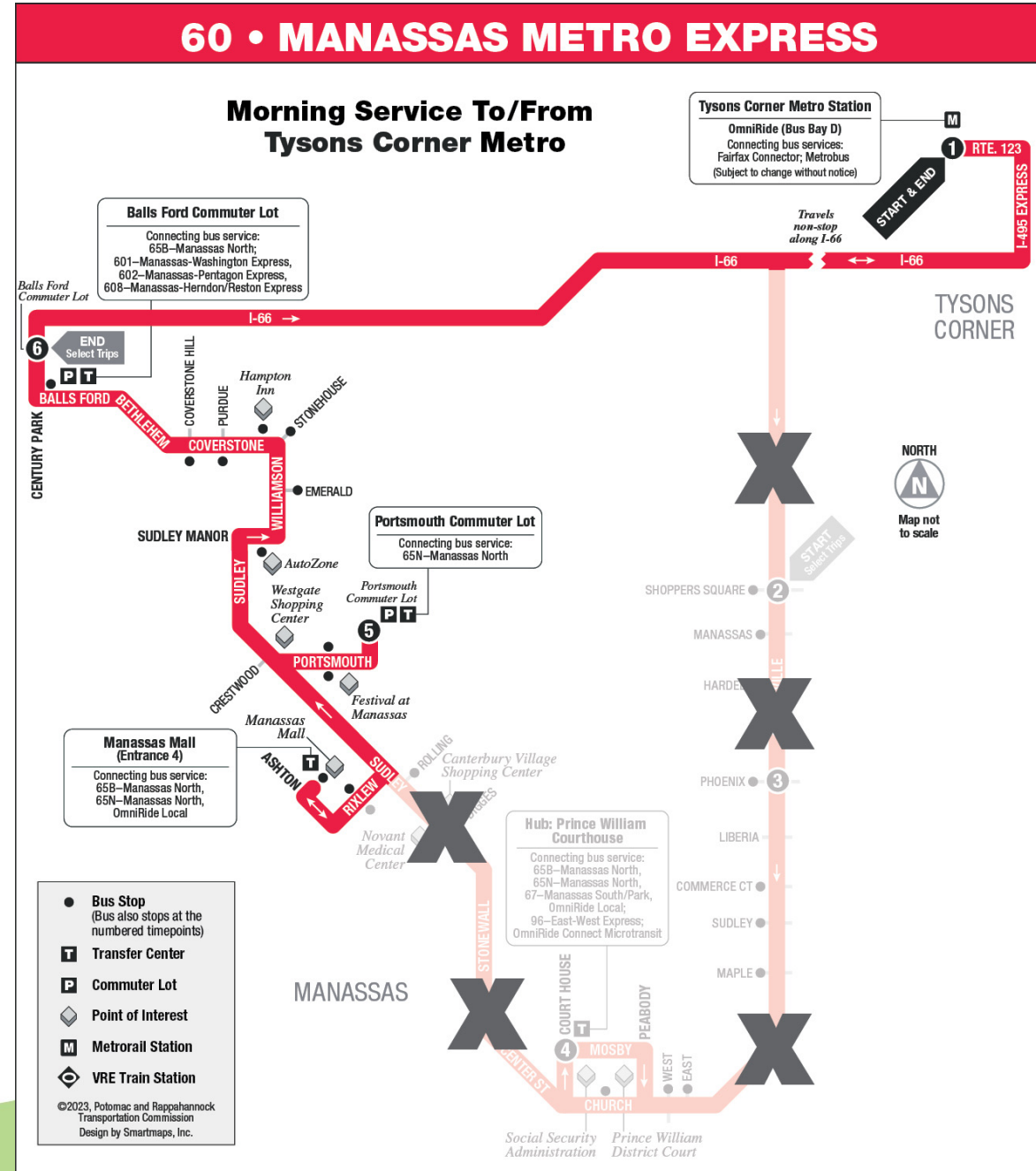
Relocate and Reduce 601: Manassas to State Department / Washington, DC

- Move Route to University Lot
- Reduce number of trips:
 - From 10 AM trips to 5 AM trips
 - From 11 PM trips to 6 PM trips
- Savings: 5,012 annual platform hours & \$727K net expense



Restructure Route 60 - Manassas Metro Express

- Truncate route: alternate service available on Local Routes 65B/N, 67 and microtransit
- Manassas Mall to Tysons Metro
- 45-minute frequencies all-day
- Savings: 4,679 annual platform hours & \$524K net expense



Eliminate Route: 62: Western Commuter Connector

- Suspended since Jan. 2023
- Platform Hours saved in FY23 budget and beyond
- Requires formal process for elimination
- Savings: 0 annual platform hours & **\$0K** net expense



FY2025 Balanced Budget Service Plan



Option A: Re-cap: Fare Increase & Service Reductions

Fare Increase Overview: Generate ~\$650K

- \$2.00 express fare increase (from \$9 to \$11)
- Increase unlimited-ride monthly pass from \$265 to \$285

*Service Reduction Overview: Reduce services by \$2.6M**

- Relocate ALL Western Express Service to University Lot
- 45% Trip Reductions in Lake Ridge & Manassas to DC
- Truncate & Reduce Manassas Metro Express



*annualized reduction of \$3.1M to offset net fare loss and prorated operational expenses

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Option B: No Fare Increase & Reduce Services by **\$3.2M***

- Eliminate Route 981: Lake Ridge (**\$939K**)
- Eliminate Route 602: Manassas to Pentagon (use 612) (**\$1.2M**)
- Reduce & Relocate 601: Manassas to Washington, DC (4 trips AM/PM) (**\$808K**)
- Reduce & Truncate Route 60: Manassas to Tyson's Metro Express (**\$524K**)
- Eliminate 4 Suspended Routes (since January 2023)
 - RS1: South US1 to Pentagon (budgeted/not expended) (**\$416K**)
 - D-400: Dale City to Mark Center (unbudgeted/not expended)
 - Woodbridge to Tyson's Corner Express (unbudgeted/not expended)
 - 62: Western Lot Connector (unbudgeted/not expended)



*annualized reduction of **\$3.8M** to offset net fare loss and prorated operational expenses

FY2025 Balanced Budget Service Plan

Waterfall Effects (cost & non-cost impacts):

- Title VI Review and recommended actions unknown
- Minor impact to local routes TBD: Timing, connections, routing
- Reprint of nearly all maps, timetables, etc. due to connections and references to non-existent services and unserved locations
- Sign/Shelter/Bench relocation (if applicable) expenses
- Possible temp labor/fees to expedite processes
- Aggressive timeline for eliminated routes/segments



FY2025 Balanced Budget Service Plan

Next Steps: Board Action tonight...

- May 15: Amended budget & public hearing
- Initiate required FTA Title VI Review
- Notification & publication (newspaper, website, etc.)
- Notifying passengers & impacted partners (flyers & signs)
- June 6: final approval of FY25 Budget
- Implement Service Plan
- Assess funding resources for FY26





Questions?

