

MEETING 1: 10-YEAR FINANCIAL PLAN TECHNICAL WORKING GROUP

APRIL 29, 2022



MOVING YOU



AGENDA

- Team admin and meeting schedule
- Context within broader Strategic Plan effort
- Necessity of 10-Year Financial Plan
- Work Plan and timeline
- Review current model
- Homework for next meeting

TYFP TECHNICAL WORKING GROUP

RTA

Doug Anderson

Sarah Rubino

Peter Kersten

Pace

Lorri Newson

Erik Llewellyn

Melanie Castle

David Tomzik

CTA

Michael Connelly

Jeremy Fine

Michele Curran

Lisa Smith

CMAP

Daniel Comeaux

Elizabeth Scott

Metra

Lynnette Ciavarella

Alan Ochab

Jeff Morris

David Kralik

CamSys/Schwartz

David Baumgartner

Baird Bream

Alex Hanson

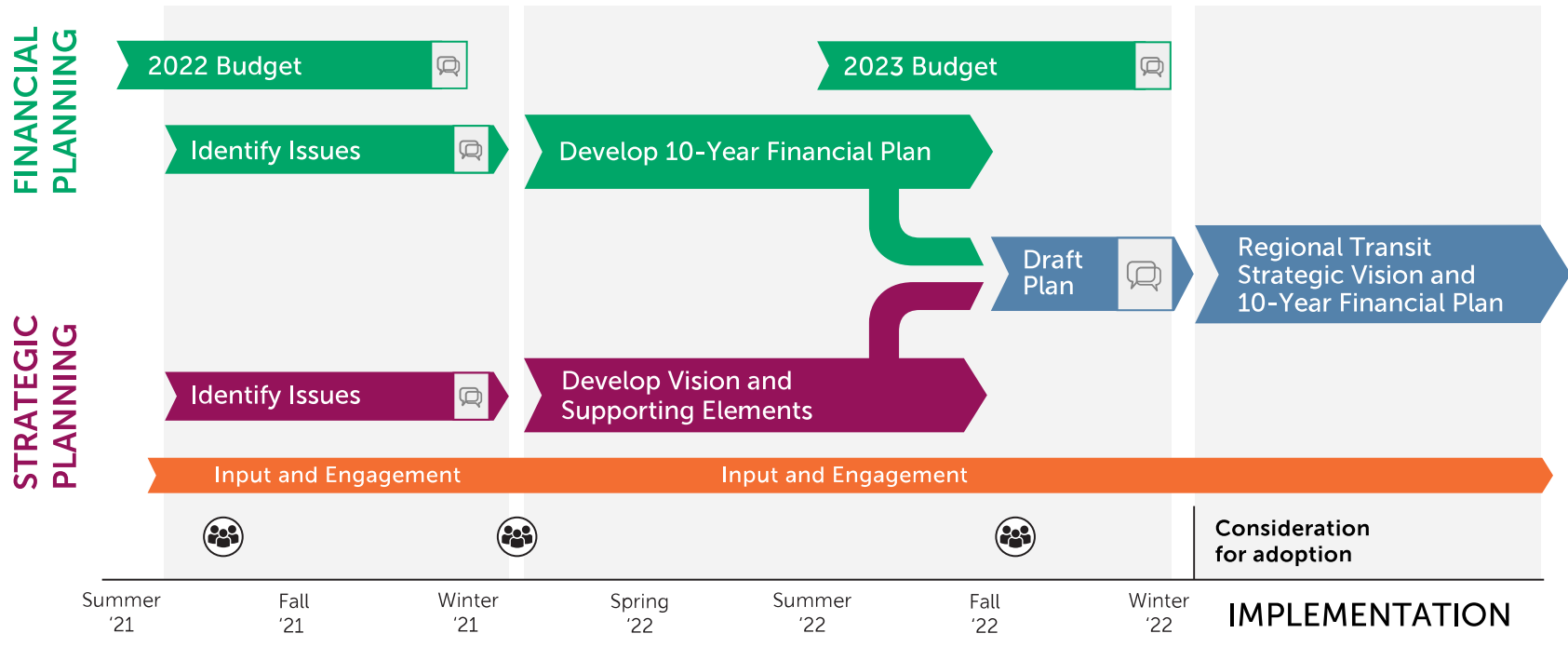


CONSULTANT ROLE

- Role of RTA consultant, Sam Schwartz
 - Cambridge Systematics is technical sub-contractor for model work
 - Model enhancements
 - Post-COVID fare elasticities
 - Inflation projections / incorporation
 - Effect of mode shifts on expense
 - Electrification impact

Regional Transit Strategic Plan Timeline

Collaborative development of a new strategic direction for the region's transit system will occur along three tracks and consist of multiple overlapping activities.



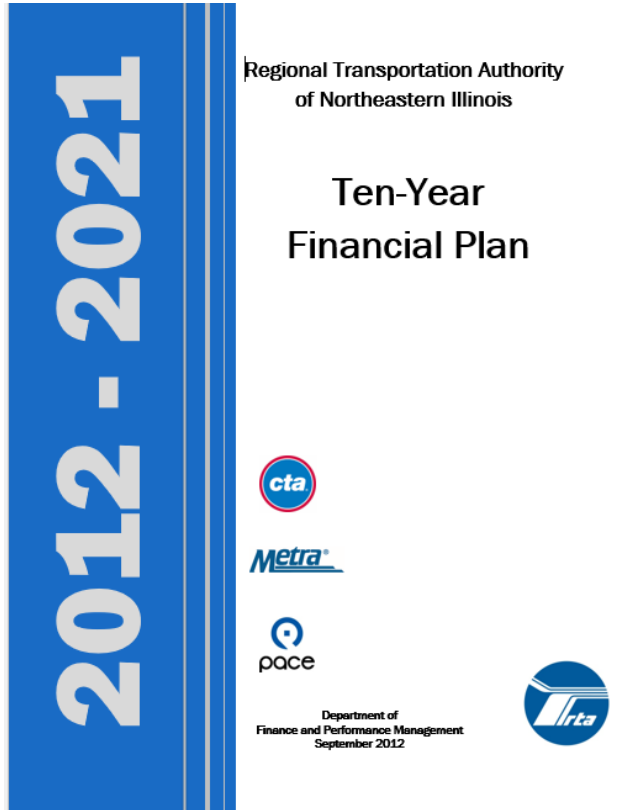
WORKING GROUPS

- Stakeholder Groups
 - Transit Service
 - Infrastructure Investment
 - Financial Responsibility
- Technical Groups
 - 10-Year Financial Plan
 - Priority Projects

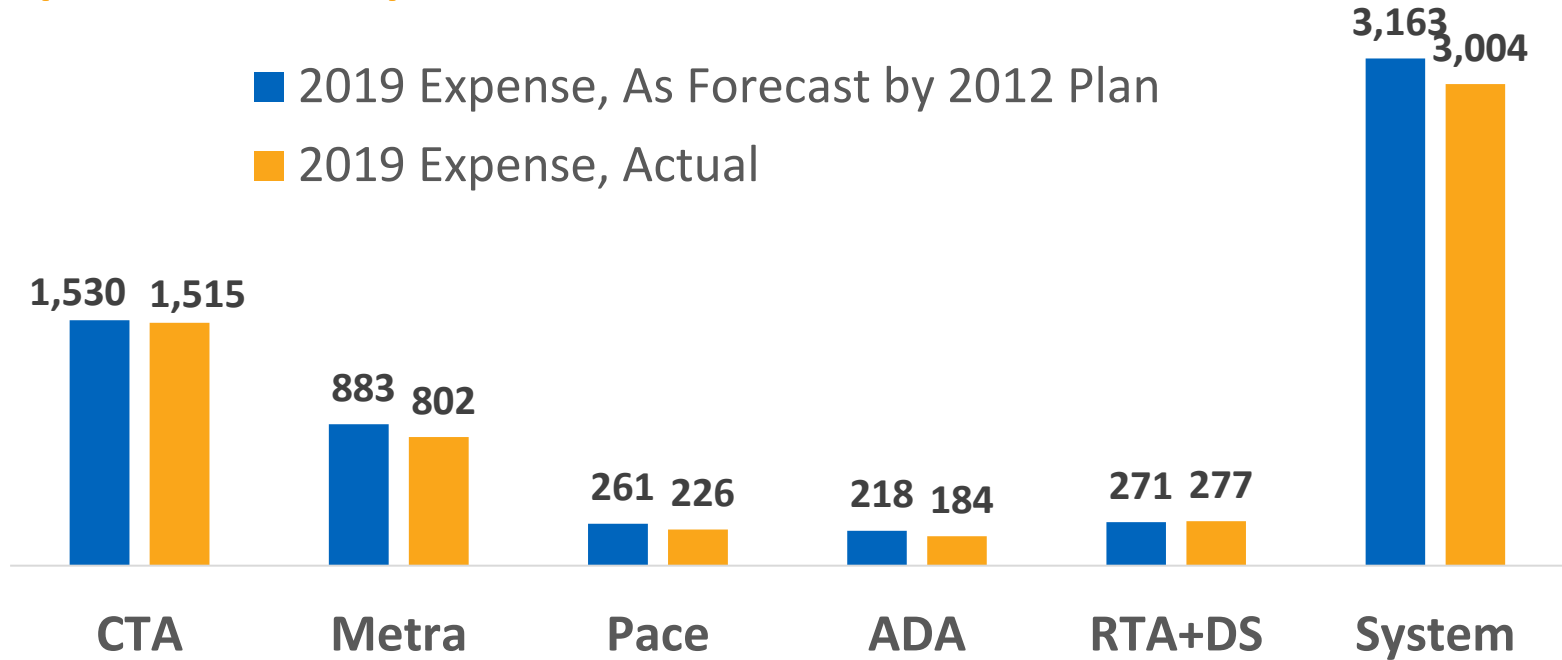
Kick off April 20, 21

Kicking off late
April/early May

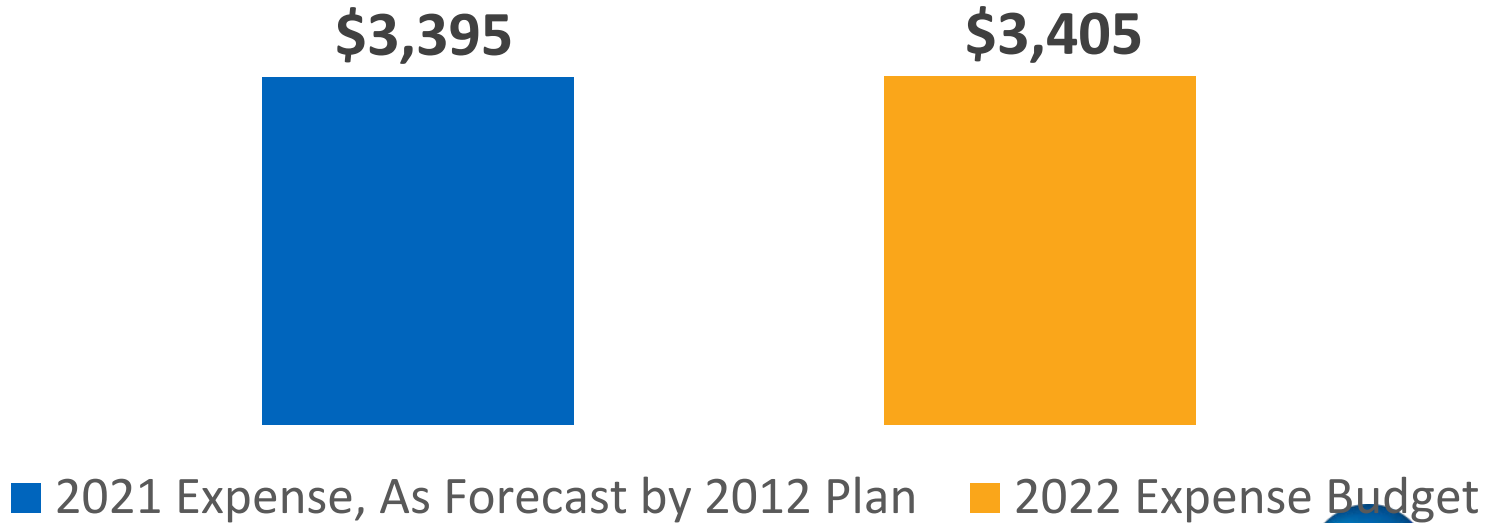
TEN-YEAR PLAN FROM 10 YEARS AGO...



...ACTUALLY PREDICTED WELL (IN MILLIONS)



2021 REGIONAL EXPENSE WAS SPOT ON (2022, THAT IS)



WORK PLAN - GOALS

- Goals for this group
 - Predict longevity of federal relief funding
 - Establish “official” post-relief funding shortfall
 - Produce menu of options for re-achieving balance
 - Recommendations for permanent recovery ratio reform

WORK PLAN - TIMELINE

- May: Establish Baseline scenario
 - Define additional scenarios
 - Socialize revenue shortfall to stakeholder groups
- June: Develop scenarios using model
- July: Develop policy recommendations
- Aug: Wrap up and produce technical memo / report

WORK PLAN - SCENARIOS

Scenarios to be defined by varying these “levers”:

Ridership recovery profile

Expanding existing funding sources

Identifying new funding sources

Expense growth

WORK PLAN - SCENARIOS

Scenario A

Scenario B

Baseline scenario – status quo funding

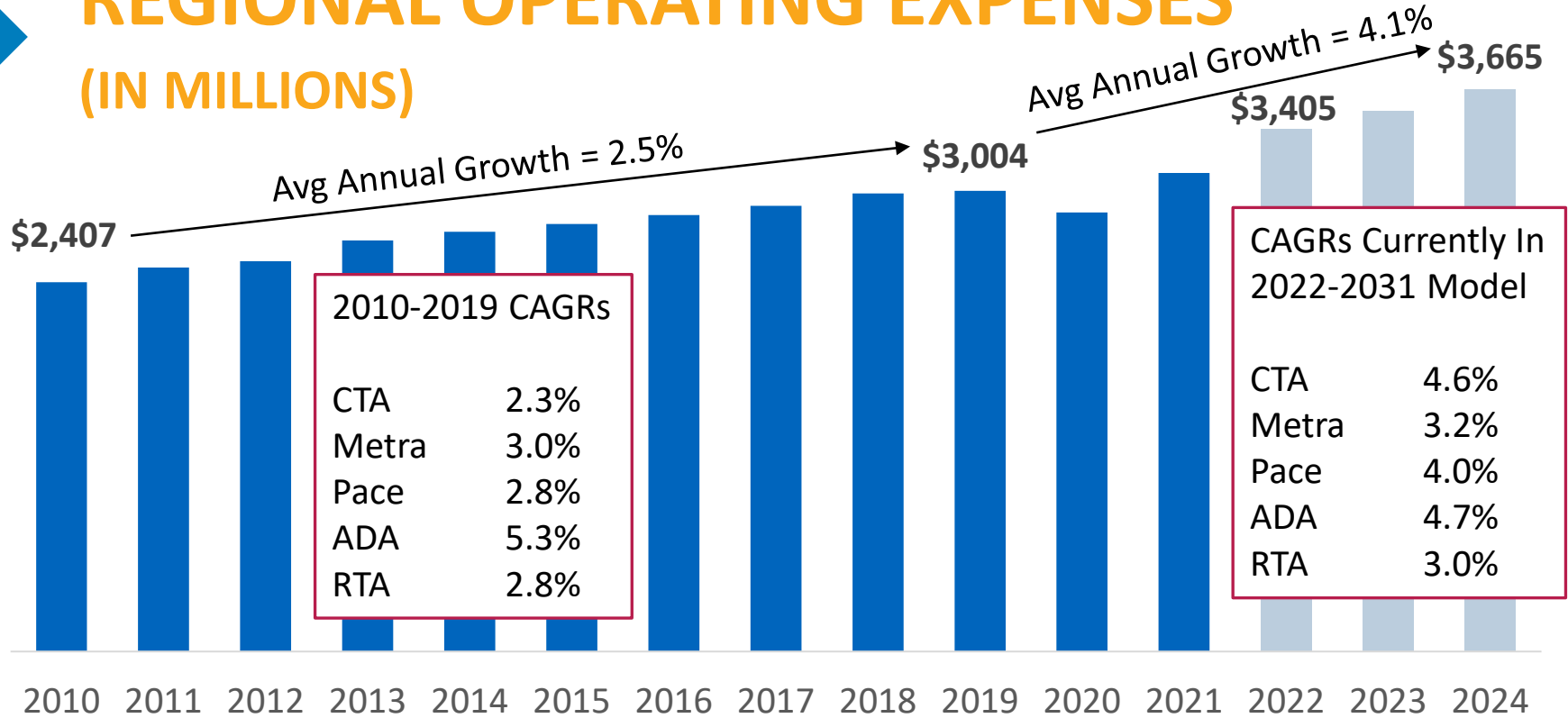
Scenario C

Scenario D

CURRENT MODEL VERSION

- Will become Baseline scenario after refinement
- Incorporated April funding amendment
 - Increased RTA funding by \$130 million per year
 - Relief funding now lasts into 2025
- Budgeted 2022-2024 expense growth rates stretched through 2031
- Gradual ridership recovery to 75% by 2031
- No fare increases / decreases

REGIONAL OPERATING EXPENSES (IN MILLIONS)



HOMEWORK FOR NEXT MEETING

- All
 - Think about scenarios we want to include
- RTA / Consultant
 - Meet to further discuss model functionality
- Service Boards
 - Please validate your tab(s) of the model
 - Expense growth rates
 - Ridership recovery levels (ridership tab)
 - It doesn't have to be perfect