

MEETING 2: 10-YEAR FINANCIAL PLAN TECHNICAL WORKING GROUP

MAY 25, 2022



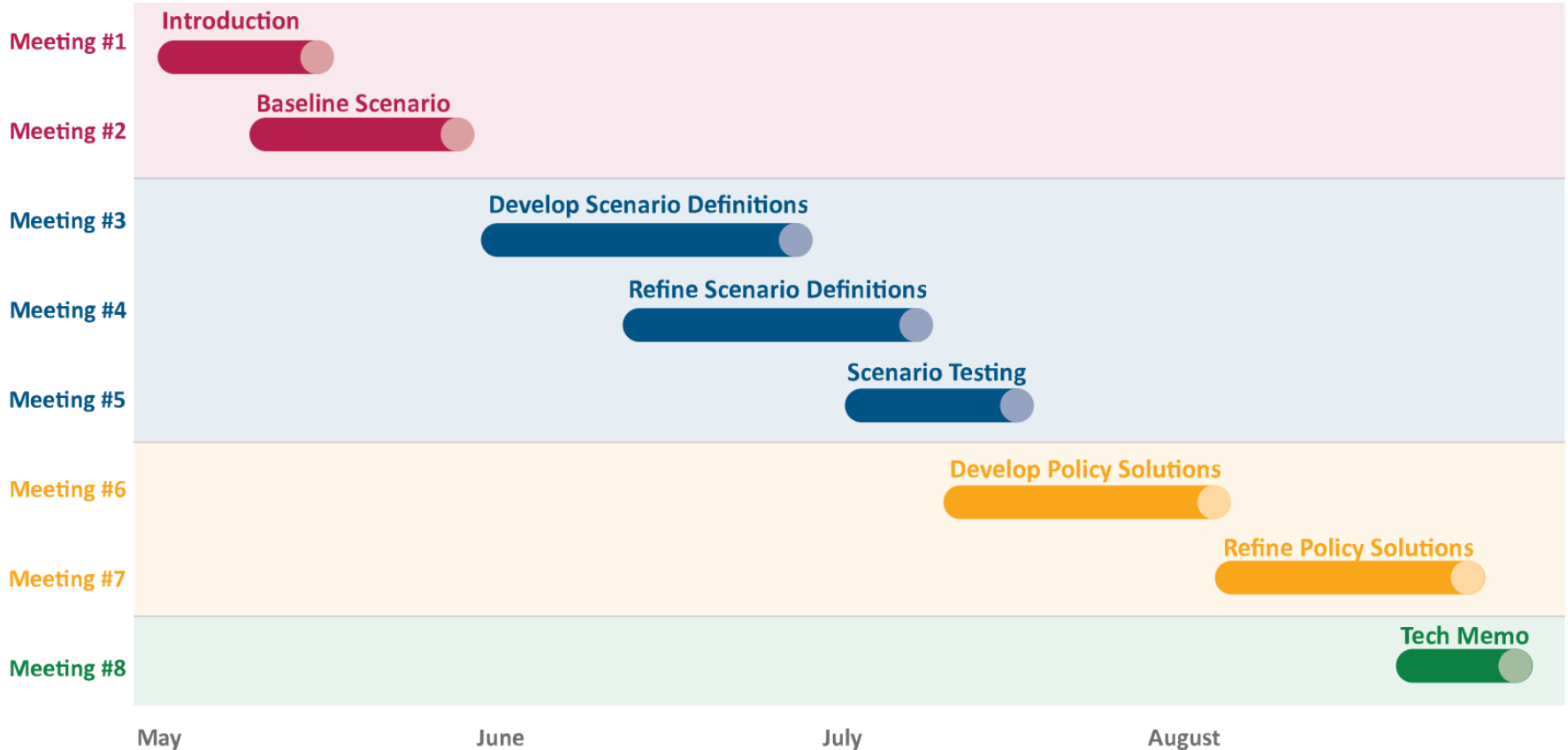
MOVING YOU



AGENDA

- Intro / Hub site review
- Future meeting schedule
- Finalizing the Baseline scenario
- Establishing funding gap and recovery ratio capacity
- Discussion/Definition of alternate scenarios
- Homework

10-YEAR FINANCIAL PLAN WORKING GROUP PROCESS



FUTURE MEETING DATES

Thursdays, opposite the weeks of the Stakeholder Group Meetings, 1pm proposed

June 9, 23

July 7, 21

August 4, 18

September 1?

RECENT MODEL ADJUSTMENTS

- Individual meetings with SB teams last week
- Mostly minor refinements to revenue and expense assumptions
- New model version with discrete growth rates by year (not used yet)

BASELINE SCENARIO ASSUMPTIONS

- Ridership recovers slowly; 74% of pre-COVID in 2031
- Projected expense growth of 4.0% per year
- Funding distribution by current statute / agreement
- ADA Paratransit fully funded each year
- Relief funding projected to exhaust in 2025 for all
- Use 2026 to isolate annual shortfall – “the gap”

BASELINE SCENARIO – 2026 SHORTFALL

Ridership (% of 2019)	68%
Operating Revenue	\$ 778.9M
+ Public Funding	\$2,400.4M
<u>- Operating Expense</u>	<u>\$3,911.5M</u>
= Shortfall	\$ 732.2M (and growing)
Recovery Ratio	25.9% (and dropping)

ADDITIONAL SCENARIOS - DEFINITION

Scenarios to be defined by varying these “levers”:

Ridership recovery profile

Expansion of existing funding

New funding sources

Expense growth

Nature of transit service

SCENARIOS - NAMED

Scenario A

Scenario B

Baseline scenario – status quo funding and service

Scenario C

Scenario D

HOMework FOR NEXT MEETING

- Inform leadership of 2026 funding gap
- Think about scenarios we want to model, and what to call them
- Bring a list of ideas for expanding existing funding and new funding sources