

# Recommended Budget

## FY2024 Operating & Capital Budget

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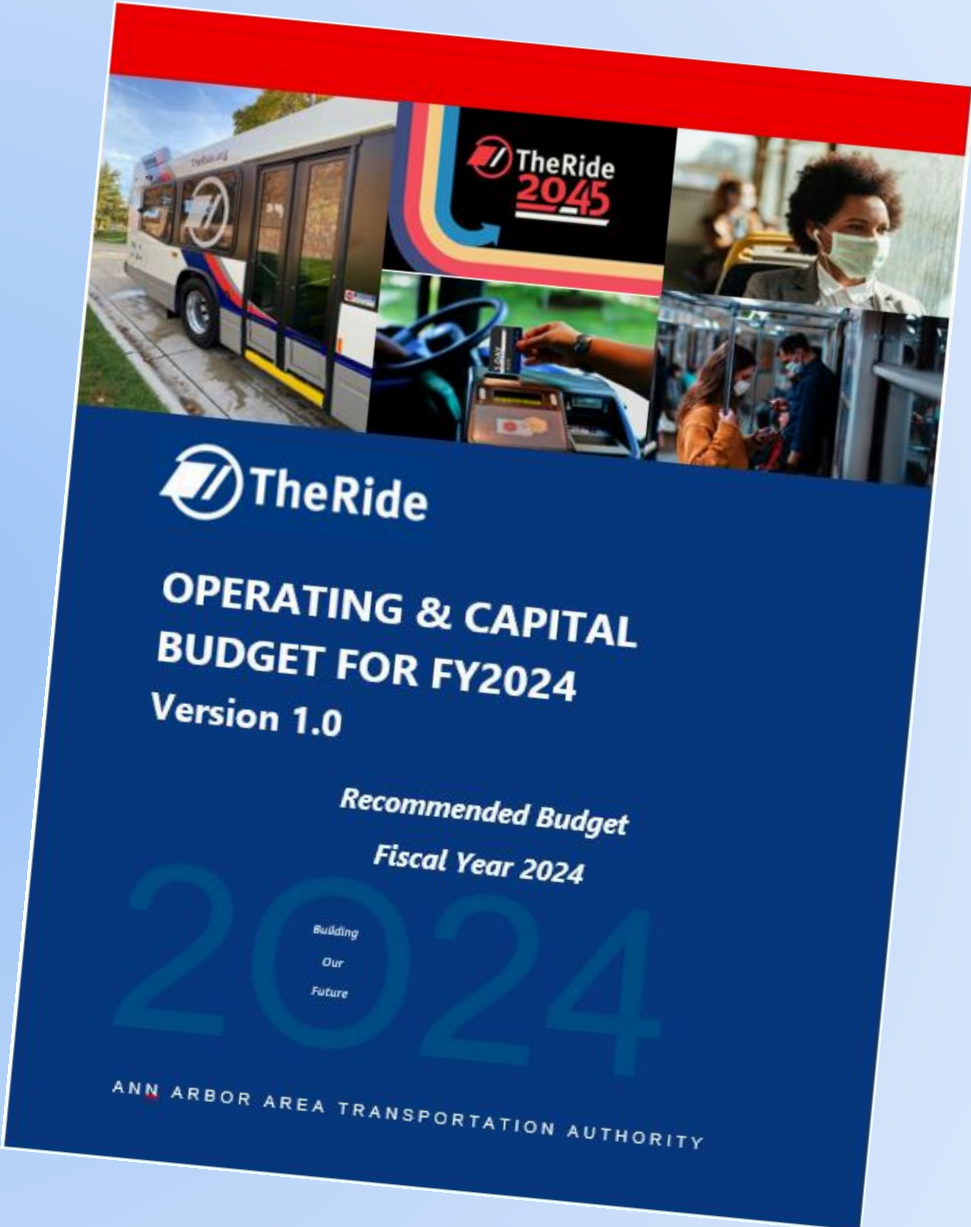


# Agenda

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- FY2024 Budget Introduction
  - Process and Policies
  - Key Accomplishments
- FY2024 Recommended Budget
  - Budget Overview
  - FY2024 Operating Budget
  - FY2024 Capital Budget
  - Conclusion

# FY 2024 Budget Introduction



# Process and Policies

# Our Budget Process is...



Policy Driven



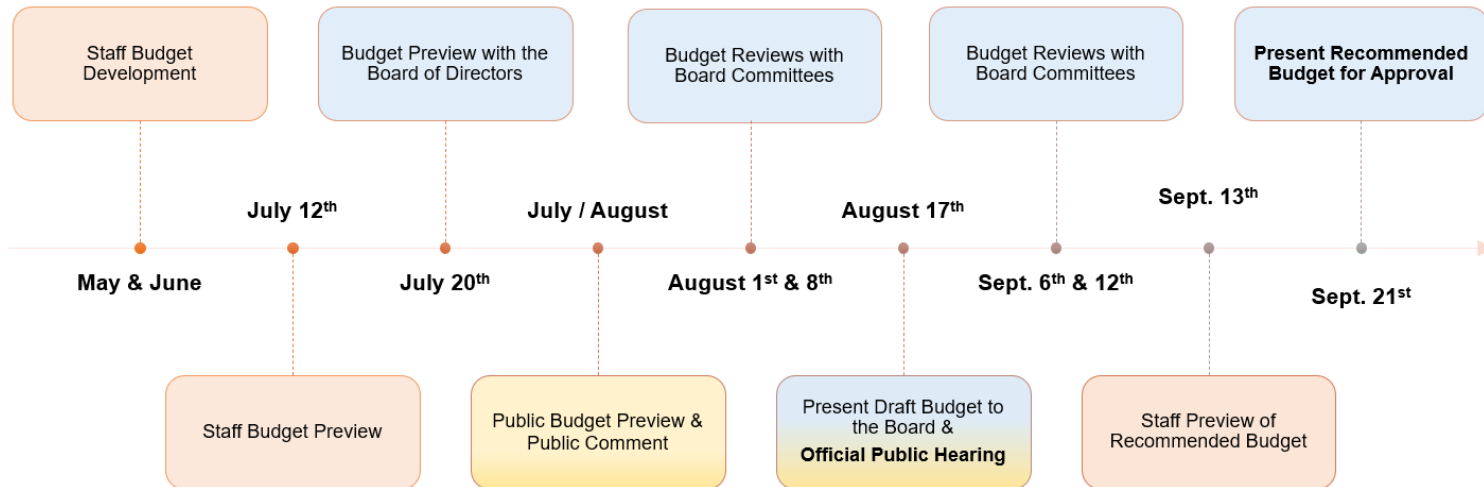
Strategic



Collaborative



Transparent



# Our Budget Advances Board “Ends”

1.0 Provide public transportation for the Ann Arbor-Ypsilanti Area that contributes to:

1.1 Residents/  
1.4 Passengers



Equitable access and Passengers are Highly satisfied

1.2 Environment



Positively Impacts Environment

1.3 Economic  
Prosperity



Positively Impacts Economic Prosperity

1.5 Residents



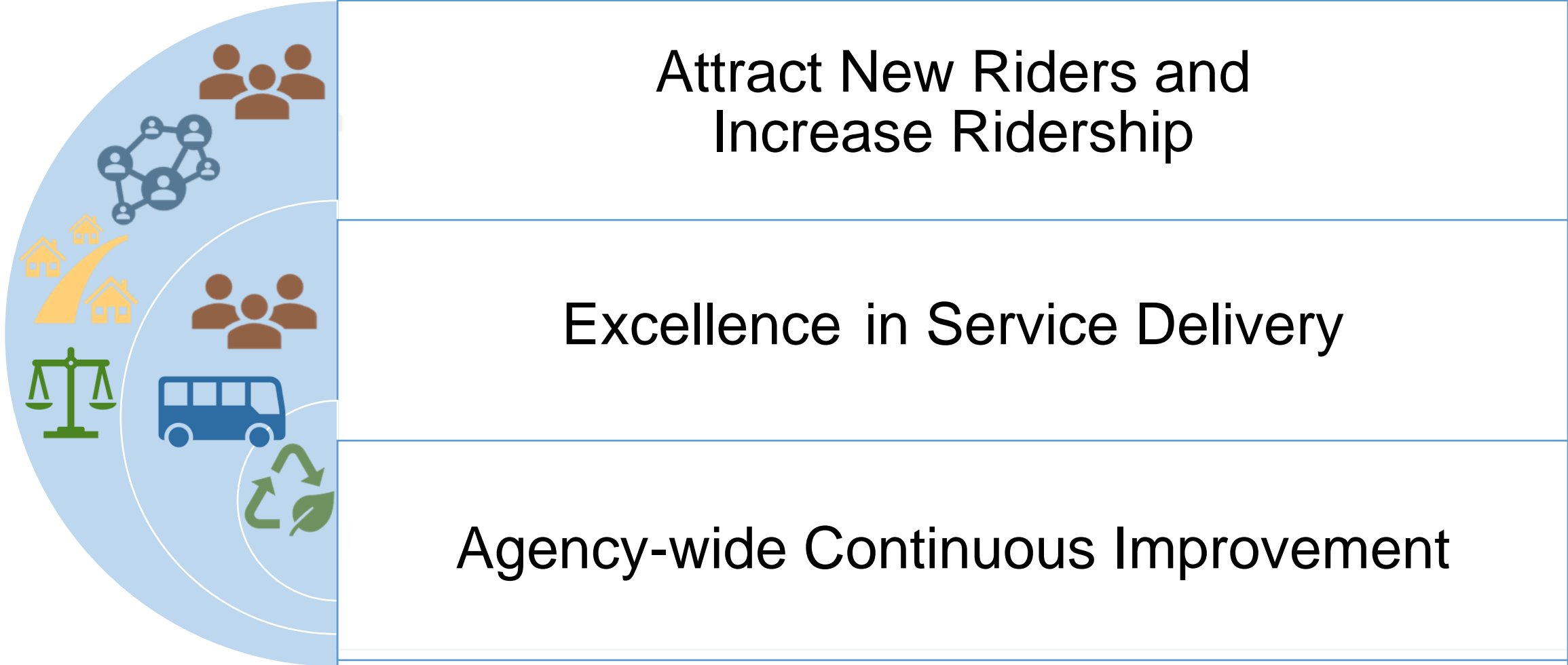
Positively Impacts Area’s Quality of Life

1.0 Fiscal  
Responsibility



Efficient Stewardship and Value for Money

# Our Budget is Aligned with Business Plan Priorities



# Our Budget Follows Policies and Best Practices

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## Board Policies for financial planning and budgeting:

Is developed using sound financial practices,

Incorporates strategic and multi-year planning,

Uses practices that meet generally accepted accounting principles,

Complies with federal, state, and local regulations,

Details practices of handling cash and investments; and

Seeks authorization when adjusting passenger fares, property tax rates, or buying or selling real estate.



# Highlights: FY2024 Key Budget Accomplishments



Operating Full Service Levels



Accelerating Millage Services



No Fare Changes



Budget is Balanced



Capital Projects are Funded

# FY 2024 Operating and Capital Recommended Budget



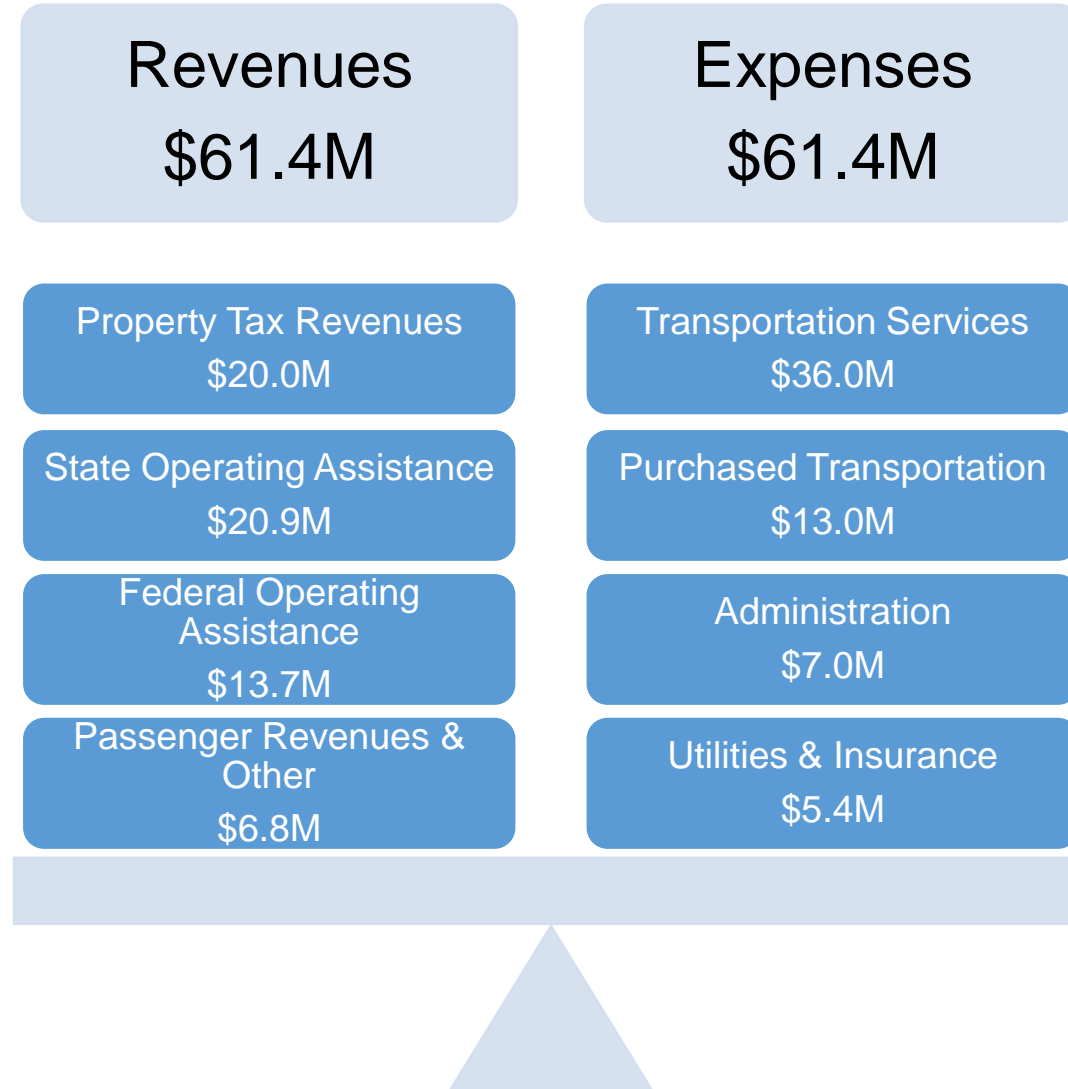
# FY2024 Operating and Capital Budget Overview

- **\$61.4 million** for operations
- **\$26.4 million** in capital investments
- Utilizes remainder of federal pandemic relief funding
- Leverages one-time funding opportunities
- Presents 7-year operating budget projection
- Includes 10-year capital projects funding plan



# Operating Budget

# The FY2024 Operating Budget is Balanced



# What are Operating Funds Spent On?

People:  
Operations,  
Maintenance  
& Customer  
Service



Purchased Transportation



Facilities: Operations & Maintenance



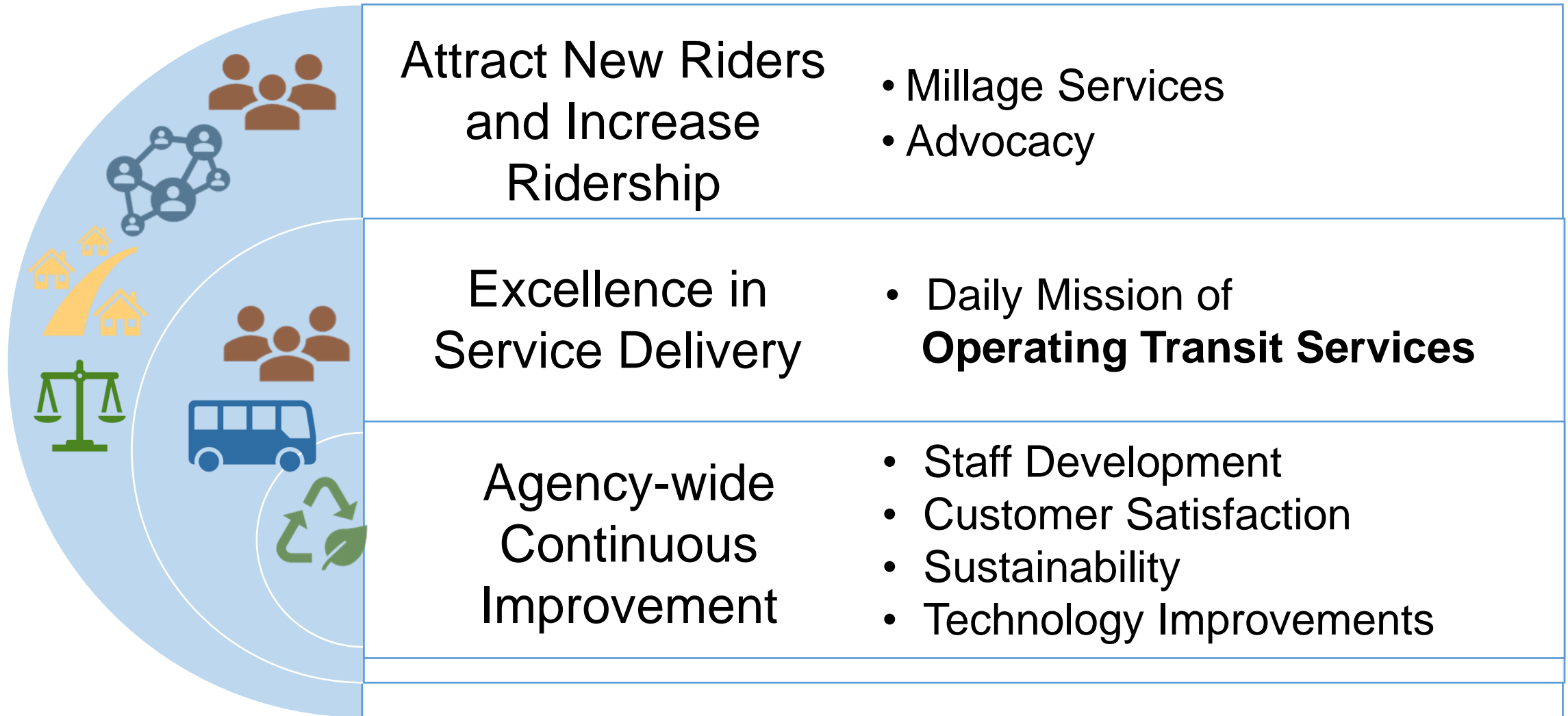
Supplies: Fuel & Tires



Safety Services  
and Supplies

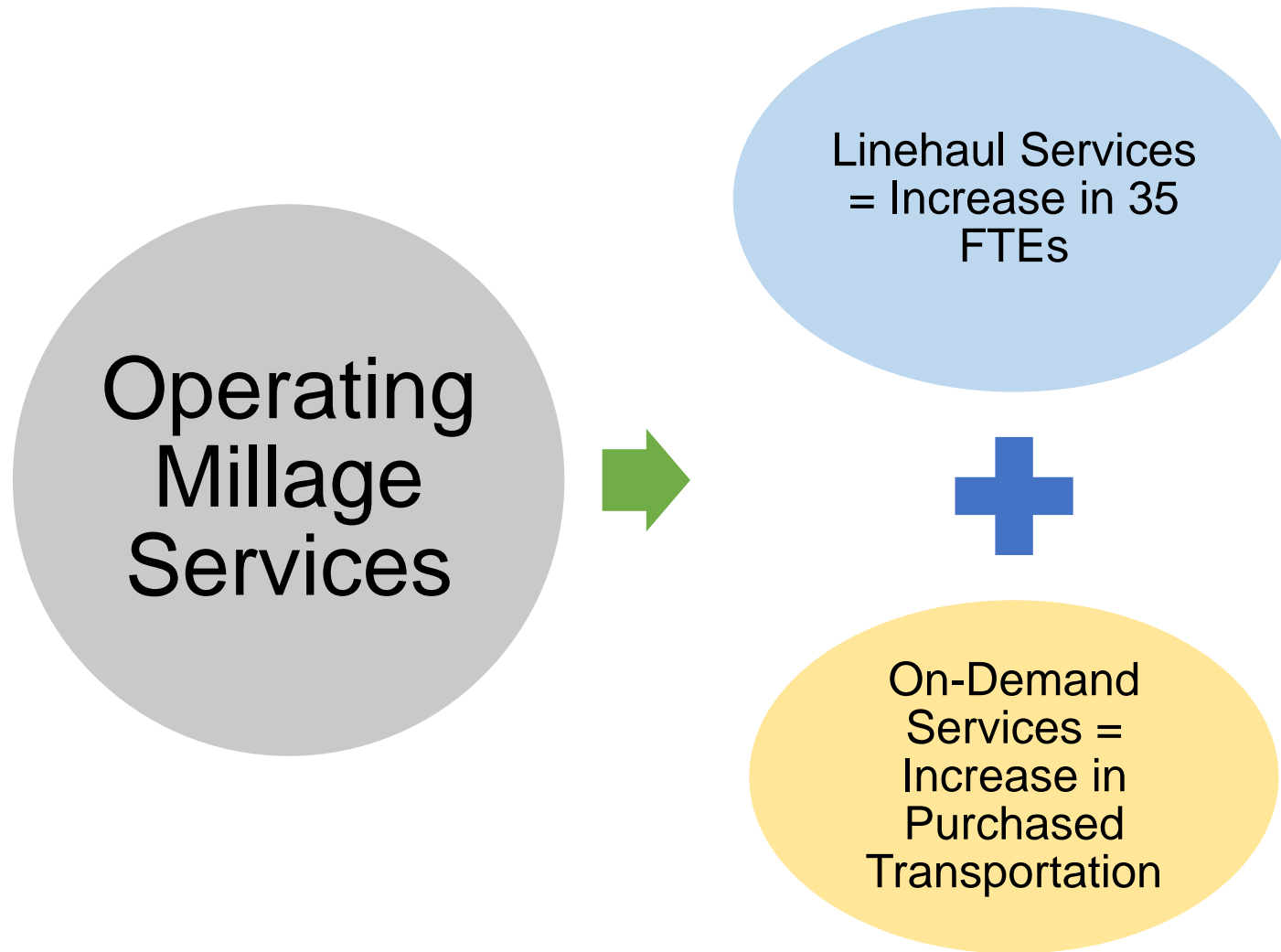


# The Budget Provides Funding for Initiatives



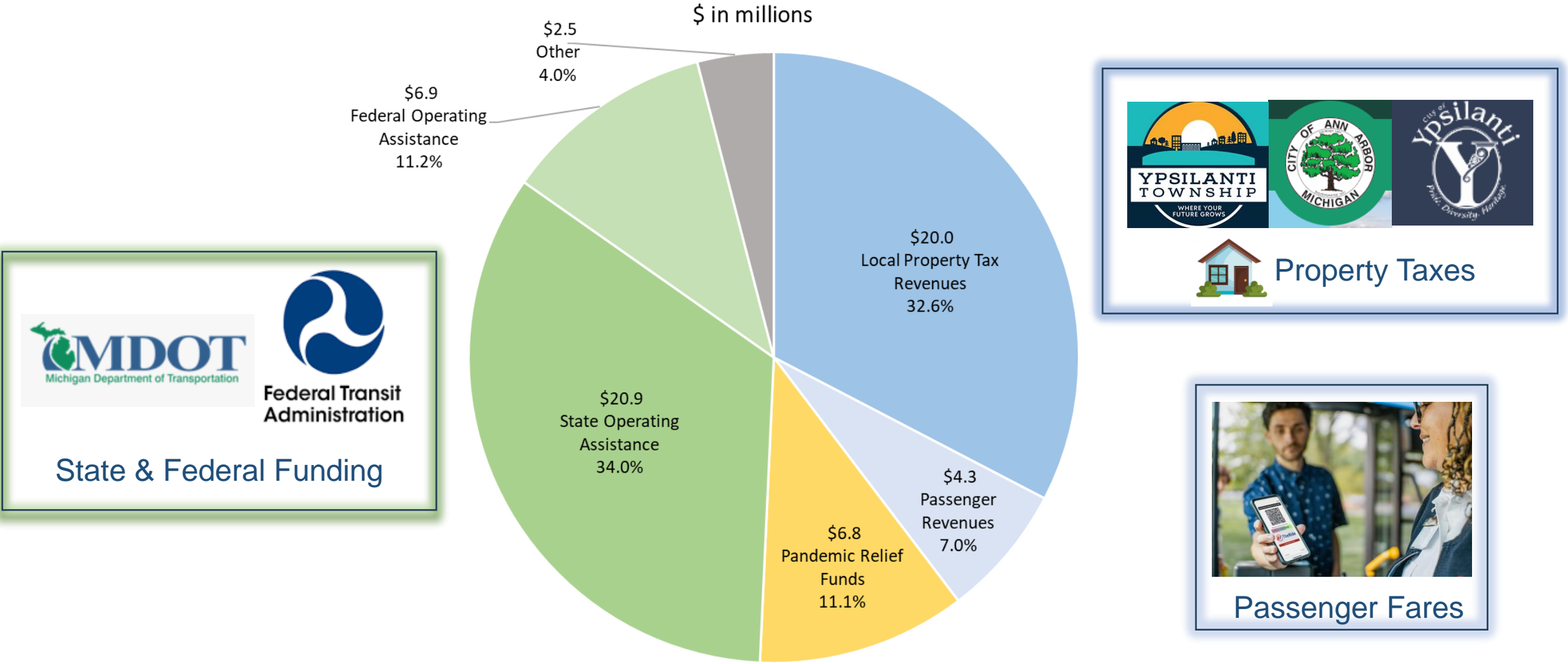
# Key Impacts of Millage Services in the Budget

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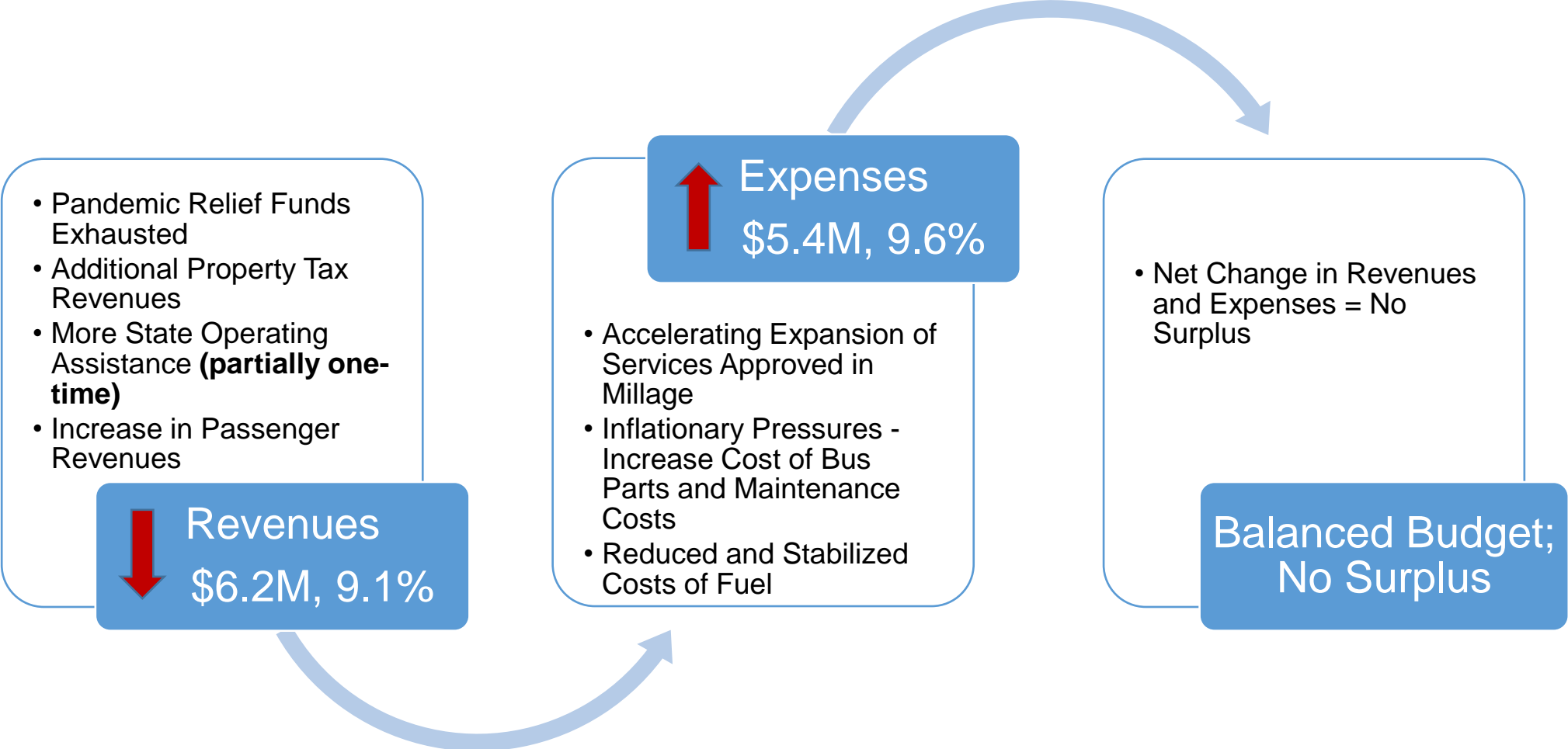




# Where Does Operating Money Come From?



# Changes Between 2023 and 2024 Budget



# Capital Budget

# The FY2024 Capital Budget is Balanced

FY2024 Capital Budget is \$26.4M



State of Good Repair  
\$22.5M, 85.1%



Value Added  
\$1.4M, 5.5%



Expansion of Services  
\$2.5M, 9.3%



Research & Development  
\$25K, 0.1%

# Capital Funding for Maintaining State of Good Repair

## Maintaining & Improving Facilities

*Ypsilanti Transit Center*



## Operations Center Roof & HVAC Replacement



*Blake Transit Center*



## Maintaining the Fleet



# Capital Funding for Value Added & Expansion Projects

## Ypsilanti Transit Center Expansion

**SITE PLAN CONCEPT 1**

**SITE PLAN CONCEPT 2**

Ypsilanti Transit Center Expansion

PEARL ST. (ONE WAY)

PEARL STREET (ONE WAY)

8 BUS BAYS

TRANSIT CENTER

FLEX BUS

2 BUS LAYOVER

PEARL ST. (ONE WAY)

These are planning-level concepts for the redesign of the YTC area.

## Transit Signal Priority

**TRANSIT SIGNAL PRIORITY**

UP TO **15%** REDUCTION IN BUS TRAVEL TIMES

**FEWER RED LIGHTS FEWER DELAYS**

Transit Signal Priority (TSP) utilizes existing vehicle location and wireless communication technologies to advance or extend green times at signalized intersections. When a TSP-equipped bus is late, it automatically requests extra green time so it can proceed through the intersection. The result: reduced delays at traffic signals, and increased service reliability and travel speeds for bus riders.

LESS CO<sub>2</sub> GET THERE ON TIME

**SAVES FUEL**

500 SIGNALIZED INTERSECTIONS MULTIPLE JURISDICTIONS

100 MILES OF ROADWAY

13 PRIORITY CORRIDORS

1 REGIONAL TSP SYSTEM



## Washtenaw Super Stop

[Transit] Super Stop Guidelines

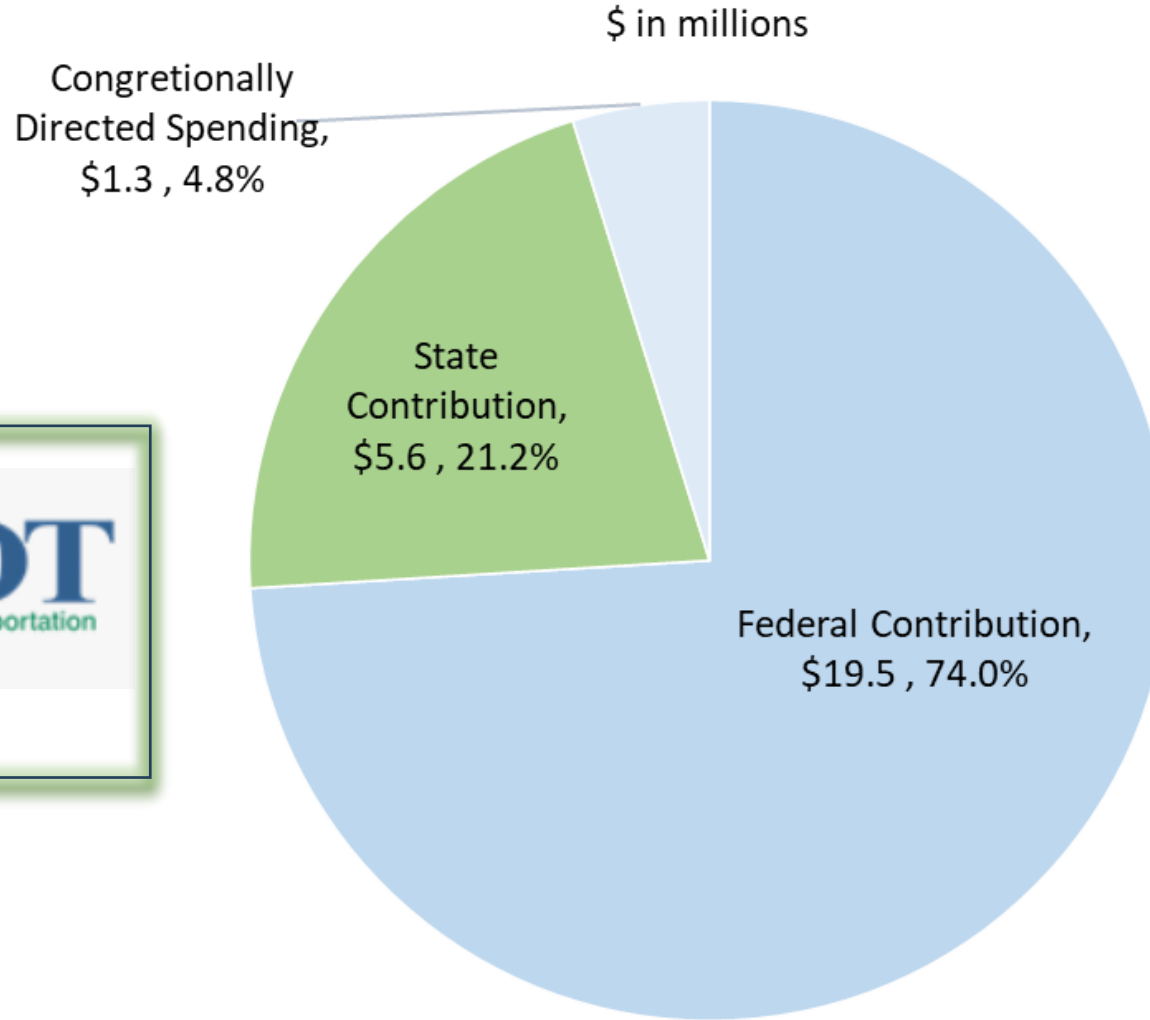
- Planter
- Message Board
- Plaque
- Disturbance Warning Strip
- Water Bar & Water Height Gauge
- Bike racks with Storage
- Benches (Longwood)
- Station Signage
- Art Murals (optional)
- Bus Stop
- Planter
- Message Board
- Plaque
- Disturbance Warning Strip
- Water Bar & Water Height Gauge
- Bike racks with Storage
- Benches (Longwood)
- Station Signage
- Art Murals (optional)
- Bus Stop

East of Carpenter Road in Ypsilanti, Michigan

### Mid-block Crossing

Landscaped median between crosswalks

# Where Does Capital Money Come From?



# Protect Capital Reserve for Transportation Projects

(\$ in thousands)	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	Total
Capital Reserve Funding <i>(from Operating Surplus)</i>	\$ 11,939	\$ 10,876	\$ 8,266	\$ -	\$ 1,475	\$ 1,072	\$ 812	\$ 406	\$ 52	\$ 34,898
Capital Expenditures	-	-	-	-	1,700	2,033	16,363	8,753	6,049	34,898
<b>Remaining Capital Reserve</b>	<b>\$ 11,939</b>	<b>\$ 22,814</b>	<b>\$ 31,080</b>	<b>\$ 31,080</b>	<b>\$ 30,856</b>	<b>\$ 29,895</b>	<b>\$ 14,344</b>	<b>\$ 5,997</b>	<b>\$ -</b>	<b>\$ -</b>

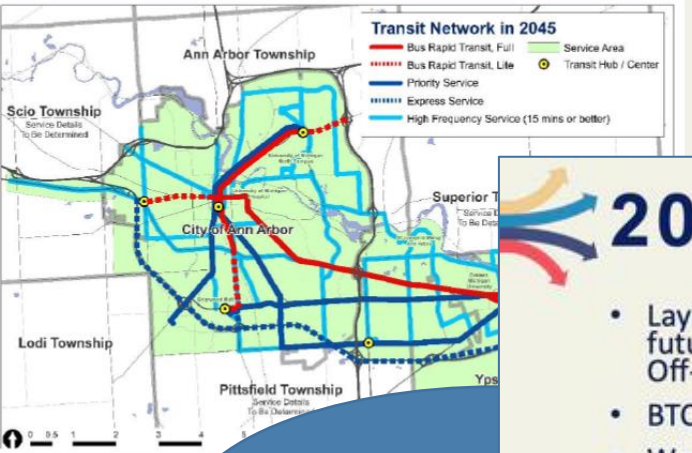
- \$58.8 million of pandemic relief funds are expected to be utilized through FY2024 to recover:
  - Loss of passenger fares
  - Pandemic-related costs
- Estimated \$34.9 million of local funds will be dedicated to the capital reserve for capital projects directly supporting transportation services in our communities



# Projects Planned in TheRide 2045 are in the Capital Plan

## TheRide 2045

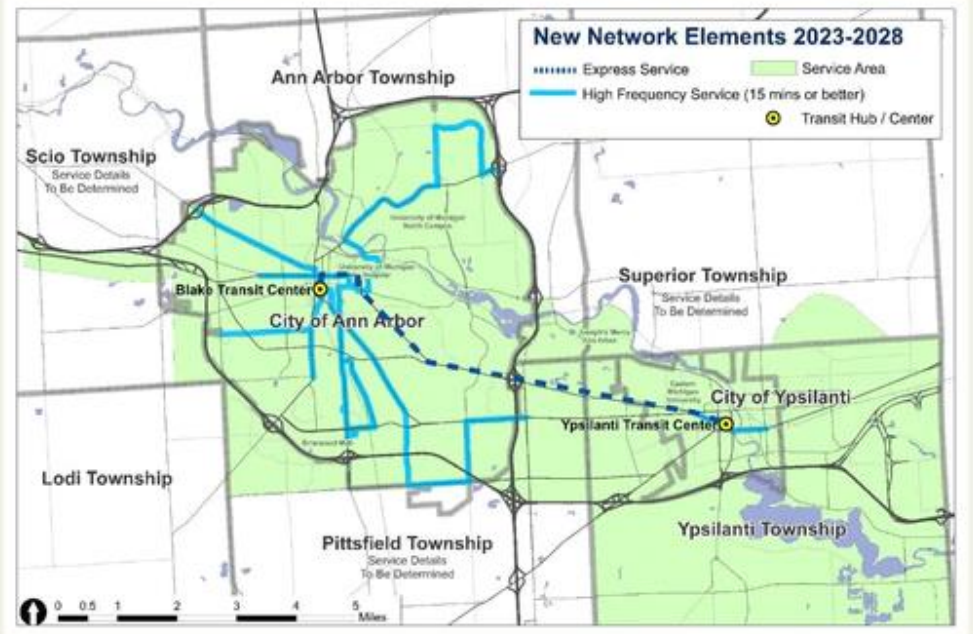
- Transformation of entire transit system
- Bus Rapid Transit forms the backbone
- Other main corridors are served by Express and Priority Service
- High-frequency routes across the service area
- New transit hubs at key locations:
  - Briarwood Mall
  - Jackson & Maple
  - Carpenter & Ellsworth
  - Nixon & Plymouth



## FY2024 - Planning, NEPA & Design for Bus Rapid Transit and Bus Garage

## 2023-2028

- Laying the groundwork for future stages while increasing Off-peak service
- BTC and YTC upgrades
- Washtenaw express pilot
- Better off-peak service
  - 30-minute minimum frequencies during the daytime
  - Longer hours of operation
  - NightRide expansion and enhancement
- Improved accessibility for fixed route with better integration with A-Ride
- Planning and design for
  - New bus garage
  - BRT and transit priority



# Conclusion

# Budget Opportunities and Risks

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## Opportunities

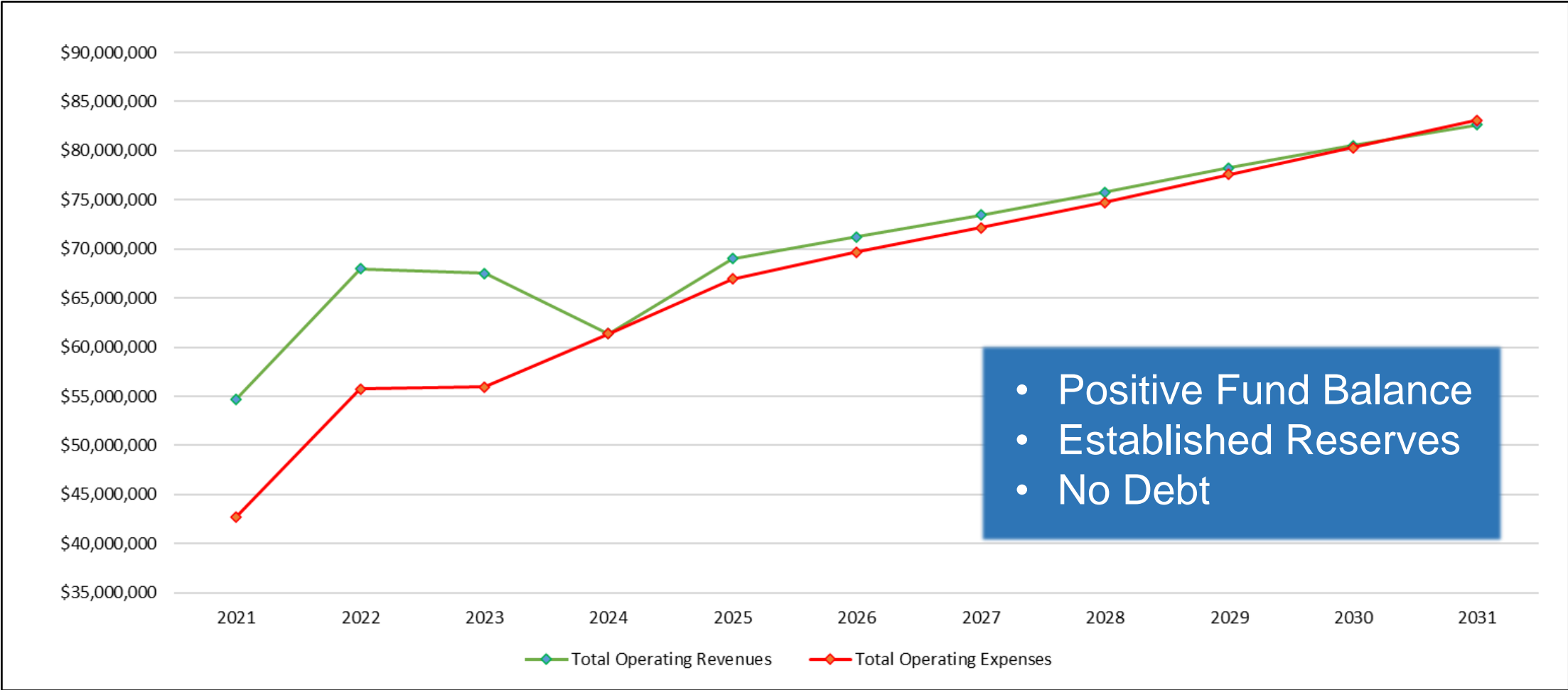
- Continuing Service to Communities
- Accelerating Millage Services
- Approved Millage through 2028
- Approved TheRide 2045 Plan

## Risks

- Cost Inflation and Volatility
- State and Federal Funding
- Ridership Recovery
- Staffing
- Phasing of Millage Initiatives

# Stable Financial Projection

FY2021 to FY2031 Operating Budget Revenues and Expenses



# Conclusion: FY2024 Key Budget Accomplishments



Operating Full Service Levels



Accelerating Millage Services



No Fare Changes



Budget is Balanced



Capital Projects are Funded



# Performance

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TheRide values transparent business practices. That's why we make financial and service performance information available to the public.



## [Business Plan & Budget](#)

TheRide's corporate business plan and annual budgets are planning tools to help align our work with expectations from the Board of Directors. Take a look at our business plan and annual budgets for current and previous years.



## [Financial Performance](#)

# Thank You

## Questions/Discussion

