

# Regional ADA Budget and Three Year Business Plan

## General

The following section presents Pace’s Regional ADA Paratransit Budget and Three Year Business Plan for the period 2012 through 2014.

In summary, the 2012 ADA Paratransit Budget is balanced to the \$115.000 million funding mark set in the revised RTA Act. The two out-years of the plan achieve the funding marks presented by the RTA and the 10% recovery requirement for the ADA program.

In order to reach the funding marks in the two out-years of the plan, additional RTA funds and/or budget balancing actions have been applied. As specified in the amended RTA Act, the RTA is responsible for ensuring that adequate resources are budgeted each year for the ADA program; therefore, we provide this information to the RTA for their consideration.

### Assumptions

In order to prepare this plan and forecast, a number of assumptions have been made. The economic assumptions used in this plan are the same as those used for Pace’s Suburban Service budget and are described in detail on page 23 and 24 of this document.

The assumptions for specific expense growth items unique to this ADA Paratransit Financial Plan; specifically service related elements like contractor costs, demand and fuel, are shown in Table 23.

	<b>2012</b>	<b>2013</b>	<b>2014</b>
Contractor Costs—City	0.0%	2.1%	3.6%
Contractor Costs—Suburban	3.1%	2.9%	3.4%
Demand—City	5.2%	5.0%	5.0%
Demand—Suburban	5.0%	5.0%	5.0%
<i>Fuel Costs - ADA</i>	<i>\$ 2.756 mil</i>	<i>\$ 2.764 mil</i>	<i>\$ 2.764 mil</i>
<i>Number of Gallons - ADA</i>	<i>.756 mil</i>	<i>.756 mil</i>	<i>.756 mil</i>
<i>Price per Gallon - ADA</i>	<i>\$ 3.64</i>	<i>\$ 3.65</i>	<i>\$ 3.65</i>

### Highlights – 2012 Budget and Three Year Plan

The budget and two-out years presented in Table 24 shows the ADA program balanced using additional RTA funds and/or budget balancing actions. Some of the highlights for the three years include fare revenues which will grow at an annual compound rate of 5.0%. Fare revenue grows consistent with the annual compound growth rate for ridership–5.0%.

Expenses will grow at an annual compound rate of 4.9% during the three year period, consistent with demand; however, the growth in expenses has been mitigated by the cost containment efforts planned for 2012. Without success of the containment efforts, cost growth would be more in the range of 7-8%.

Total ADA funding is growing at an annual compound rate of only 5.0% over the three years of this plan. Given the outlook for the continued growth rate for demand and associated costs, the conservative outlook for funding will continue to require additional funding and/or identification of budget balancing actions.



Regional ADA services are provided by private contractors in the suburbs.

## Regional ADA Paratransit Budget and Three Year Business Plan

**Table 24. 2012-2014 Regional ADA Paratransit Budget and Three Year Business Plan (000's)**

	<b>2010 Actual</b>	<b>2011 Estimate</b>	<b>2012 Budget</b>	<b>2013 Plan</b>	<b>2014 Plan</b>
<b>OPERATING REVENUE</b>					
Fares	\$ 8,385	\$ 8,771	\$ 9,209	\$ 9,741	\$ 10,228
Other/Certification Revenue	2,157	2,443	2,367	2,086	2,118
<b>Total Revenue</b>	<b>\$ 10,542</b>	<b>\$ 11,214</b>	<b>\$ 11,576</b>	<b>\$ 11,827</b>	<b>\$ 12,346</b>
<b>OPERATING EXPENSES</b>					
Labor/Fringes	\$ 2,463	\$ 2,550	\$ 2,645	\$ 2,713	\$ 2,795
Health Care	336	291	307	335	365
Administrative Expense	1,870	1,797	1,981	2,011	2,049
Fuel	1,891	2,593	2,756	2,764	2,764
Insurance/Claims	114	337	345	360	380
RTA Certification Trips	1,282	1,315	1,354	1,374	1,399
Suburban ADA Purchased Transportation	18,981	19,858	21,497	23,218	25,214
City ADA Purchased Transportation	82,920	91,373	89,226	95,711	104,107
TAP & Mobility Direct Services	2,273	2,392	2,473	2,547	2,639
Regional ADA Support Allocation	2,933	3,857	3,992	4,094	4,219
<b>Total Expenses</b>	<b>\$ 115,063</b>	<b>\$ 126,363</b>	<b>\$ 126,576</b>	<b>\$ 135,127</b>	<b>\$ 145,931</b>
Funding Requirement	\$ 104,521	\$ 115,149	\$ 115,000	\$ 123,300	\$ 133,585
<b>PUBLIC FUNDING</b>					
Sales Tax and PTF (Part II)	\$ 94,796	\$ 98,777	\$ 115,000	\$ 120,750	\$ 126,788
State Funds	8,500	8,500	0	0	0
RTA ICE Funds	1,225	7,872	0	0	0
RTA Funds/Budget Balancing Actions	0	0	0	2,550	6,797
<b>Total Public Funding</b>	<b>\$ 104,521</b>	<b>\$ 115,149</b>	<b>\$ 115,000</b>	<b>\$ 123,300</b>	<b>\$ 133,585</b>
Net Funding Available	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Recovery Ratio With Credits	10.00%	10.00%	10.00%	10.00%	10.00%

## Pace Regional ADA Paratransit Cash Flow—2012

The following provides an estimate of Pace’s 2012 revenues, expenses and cash position for Regional ADA Paratransit service operations on a monthly basis. Estimates for public funding are included in total revenues and are based on information provided by the RTA.

The projected cash flow presented below for Pace’s Regional ADA Paratransit service shows sufficient funds for Pace to maintain operations during 2012.



*Regional ADA services are provided by private contractors in the City.*

**Table 25. Pace Regional ADA Projected Cash Flow Summary—2012 (000’s)**

	<b>Beginning Balance</b>	<b>Revenues</b>	<b>Expenses</b>	<b>Net Results</b>	<b>Ending Balance</b>
January	\$ 9,240	\$ 10,548	\$ 10,548	\$ 0	\$ 9,240
February	9,240	10,548	10,548	0	9,240
March	9,240	10,548	10,548	0	9,240
April	9,240	10,548	10,548	0	9,240
May	9,240	10,548	10,548	0	9,240
June	9,240	10,548	10,548	0	9,240
July	9,240	10,548	10,548	0	9,240
August	9,240	10,548	10,548	0	9,240
September	9,240	10,548	10,548	0	9,240
October	9,240	10,548	10,548	0	9,240
November	9,240	10,548	10,548	0	9,240
December	9,240	10,548	10,548	0	9,240

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