



# GRTC

## Board Retreat

09/30/2025

WELCOME



FY2025 YEAR IN REVIEW



FY2026 – FY2031



NEXT STEPS



ADJOURN



AGENDA

# PLANNING FOR FY27

Task	Date
Budget Kickoff/ Board Retreat	<i>September</i>
Grant Project List - Operating and Capital	<i>September</i>
Submit CMAQ/STBG	<i>September</i>
FY2027 Miles/Hours Projections	<i>September</i>
Initial Department Budget Needs	<i>October</i>
Draft Budget Request to Jurisdictions	<i>November</i>
DRPT Grant Applications Internal Submit	<i>December</i>
Review Draft Budget with Board	<i>January</i>
Submit DRPT Grants	<i>February</i>
Draft Budget Update to Board	<i>March</i>
Final Budget Adopted	<i>May</i>





# FY2025 YEAR IN REVIEW





# FY25 CELEBRATIONS AND ACCOMPLISHMENTS

## RIDERSHIP

- 12,053,522
  - Fixed Route: 9,628,746
  - Pulse: 2,023,590
  - Express: 88,740
  - CARE/CARE Plus: 270,852
  - CARE On-Demand: 41,594
  - Microtransit: 89,539

## ROUTE & SERVICE EXPANSIONS

- Route 1 Expansion
  - Virginia Center Commons
- Routes 7A & 7B Increased Frequency to Airport
- Route 19 Expansion to Sheltering Arms
- Western & North-South Expansion Projects in NEPA
- LINK – All Five Pilot Zones



# FY25 CELEBRATIONS AND ACCOMPLISHMENTS

## OPERATIONS & FACILITIES

- DTS MOU
- ETI Efforts – 24 Bus Stops Improved
- Safety Initiatives: PSAs/PSOs
- Artic Buses Arrived & Operator Training Began
- Pulse Station Modifications
- LINK EVs & Charging Stations
- 325 E Belt Demo
- DTS Bathrooms
- New Employee Gym
- New Badges
- Connectors Outreach Group Launch



# FY25 CELEBRATIONS AND ACCOMPLISHMENTS

## COMMUNICATIONS & RECOGNITION

- Rise Newsletter (Recognizing the Impact & Success of Employees)
- M.E.E.T. Operator Mentor Program
- VTA Awards
  - Transit Marketing Award (1A) (large agency)
  - Exceptional Safety Award (de-escalation program)
  - Unsung Hero Award (Roymone Harris)

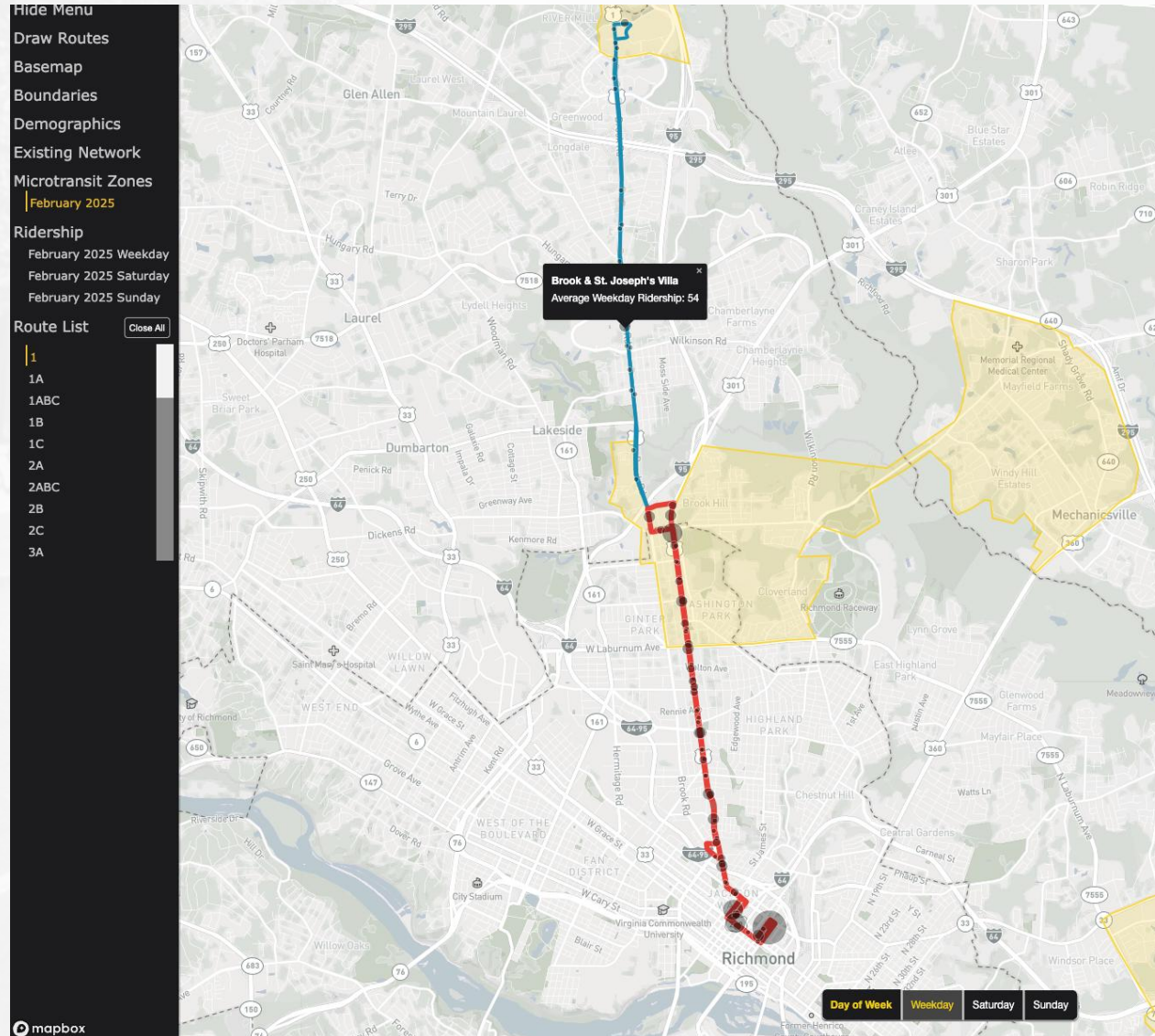
## COMMUNITY & PUBLIC ENGAGEMENT

- First round of engagements for both Western & North-South expansion projects
- Advertising Program Restarted
- New Website
- Public-facing key Performance data Dashboard
- Public-facing ETI Status Tracking Page
- Christmas Parade





# FY25 SERVICE OVERVIEW



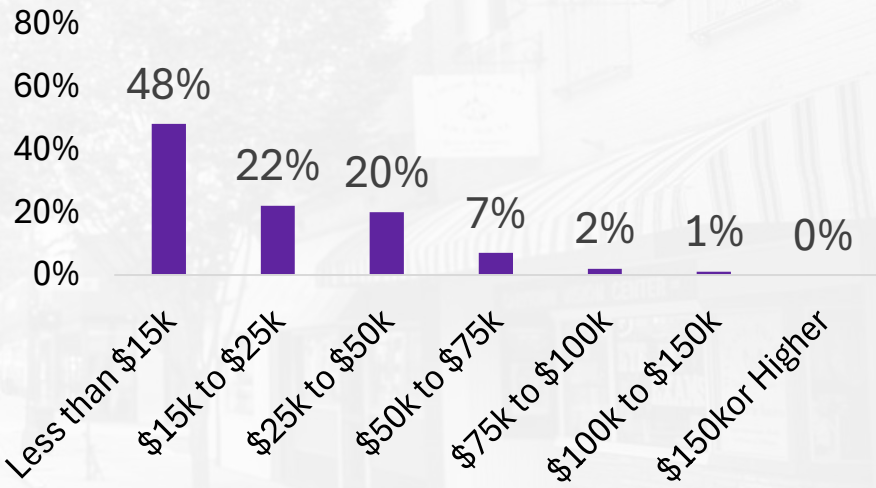
- Interactive mapping tool to explore ridership by stop, productivity by route, and other data.

<https://webmap.jwainternal.com/richmondgrtc/index.html>

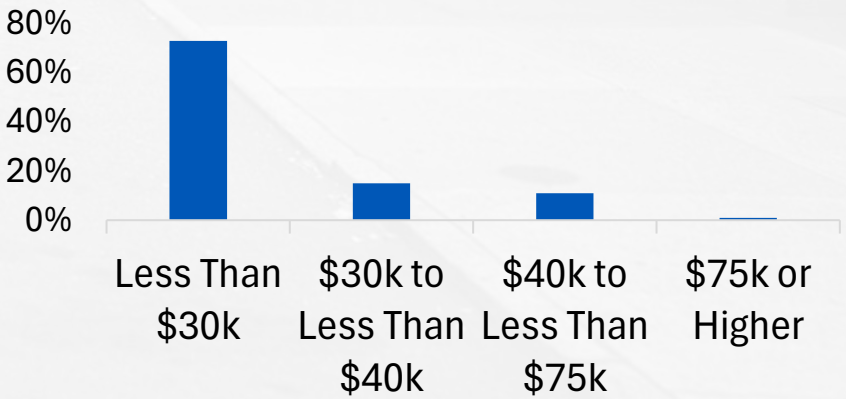
# HOUSEHOLD INCOME



## Paratransit



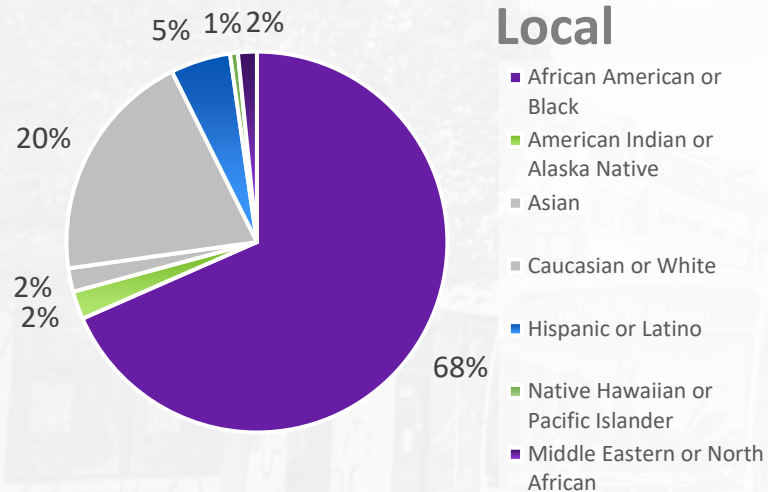
## LINK



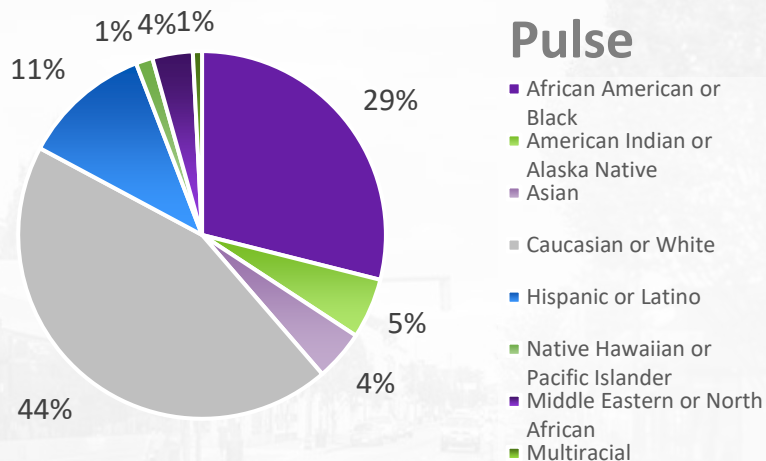


# RACE/ETHNICITY BY MODE

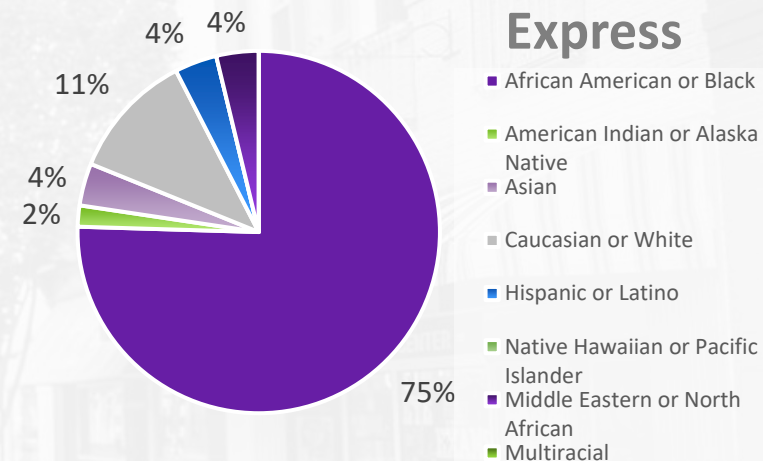
## Local



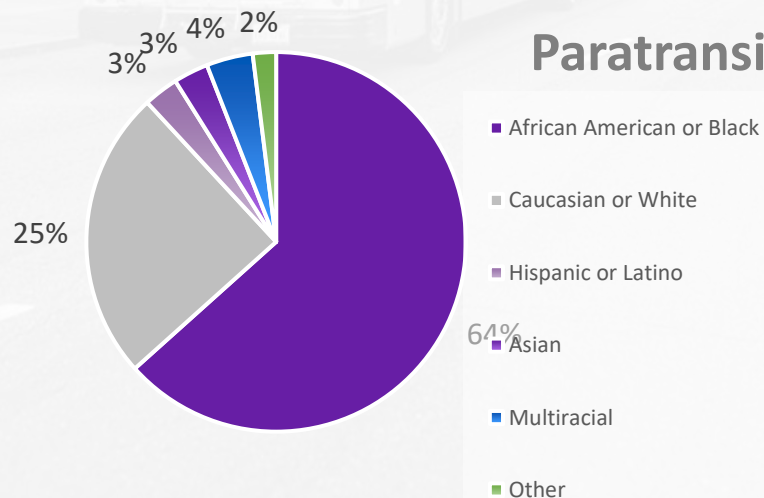
## Pulse



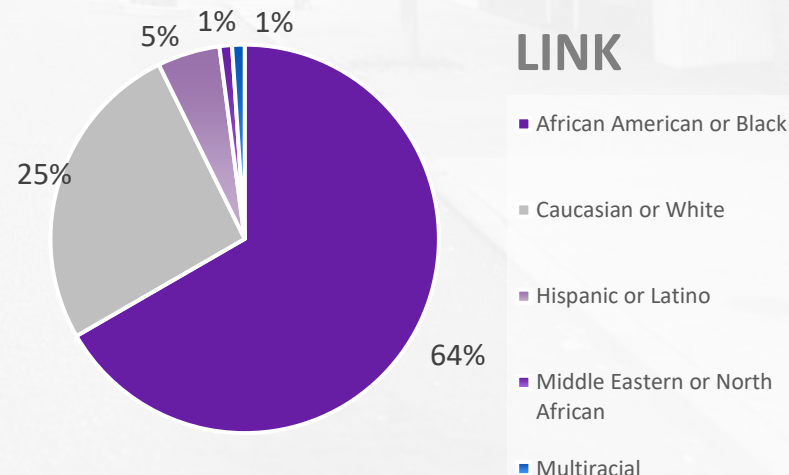
## Express



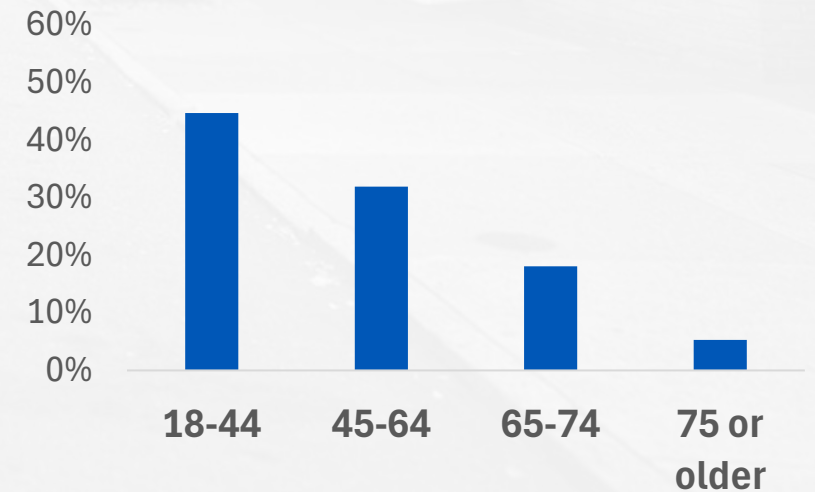
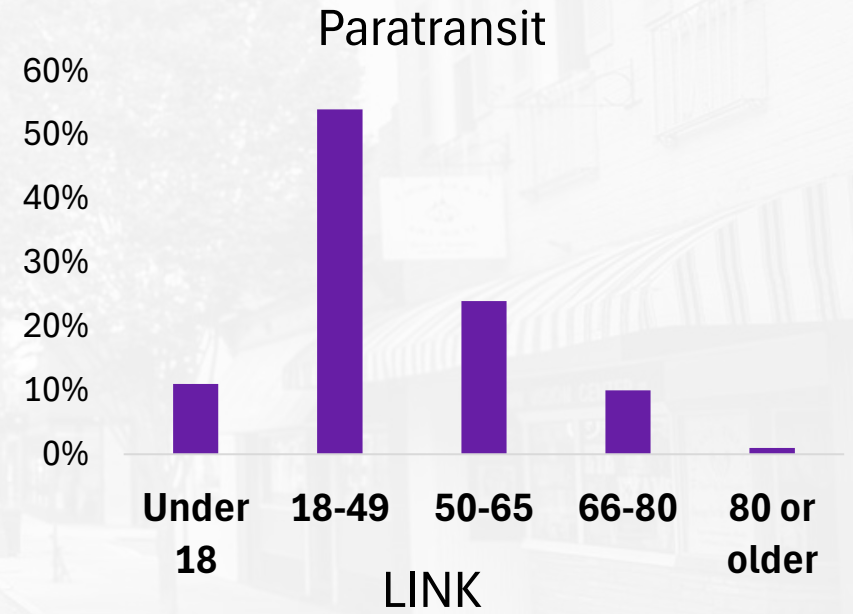
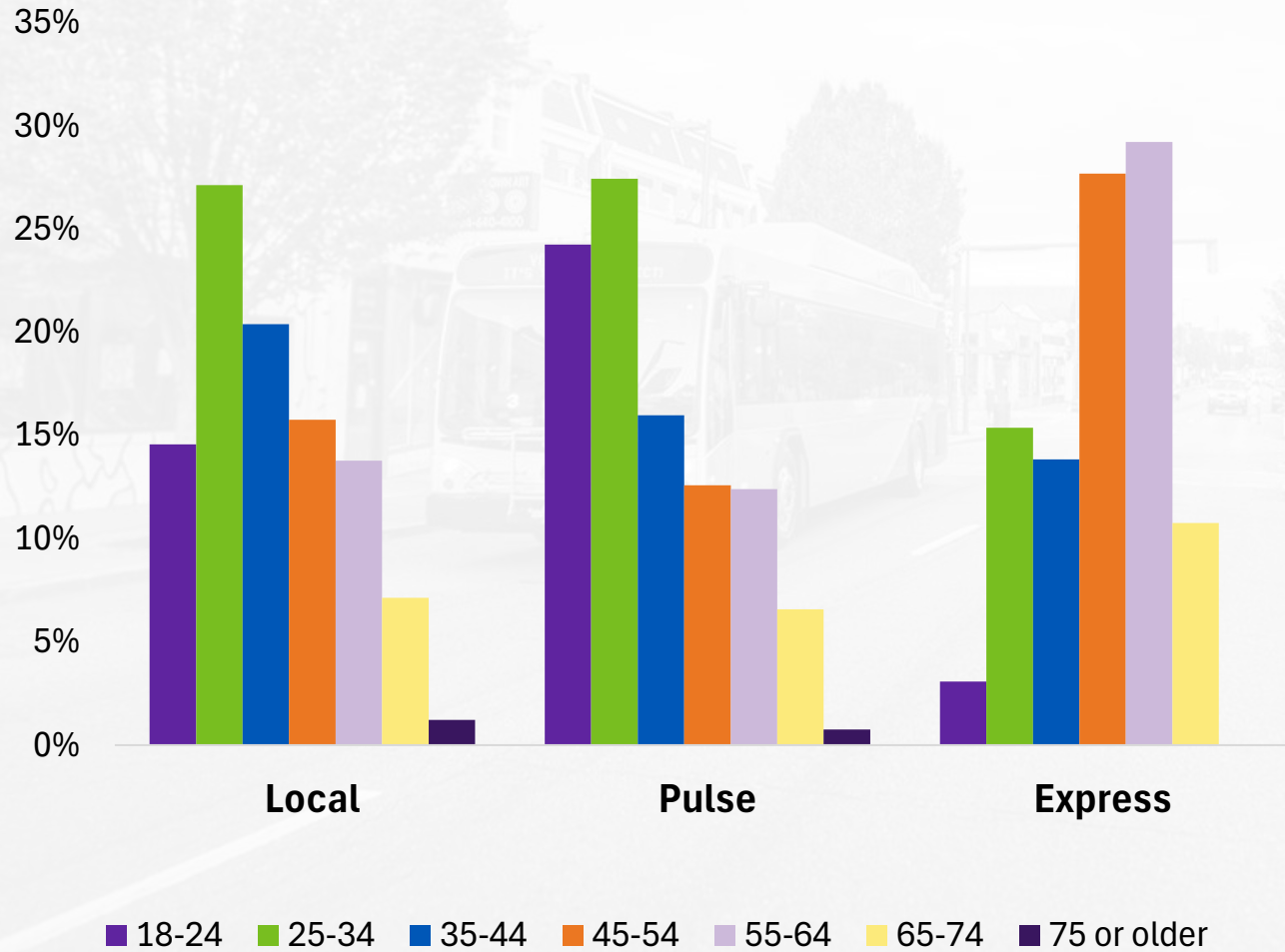
## Paratransit



## LINK

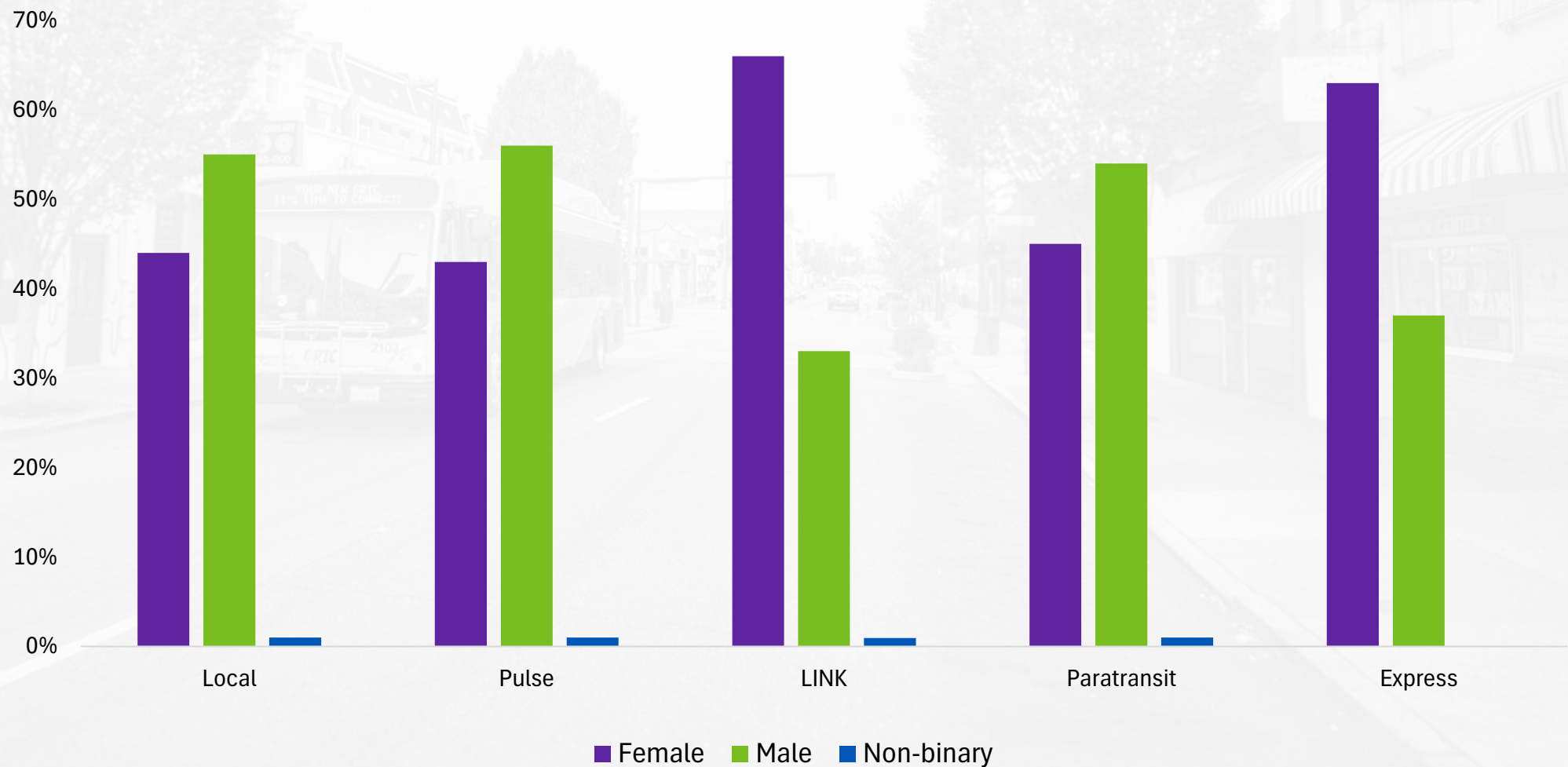


# AGE BY MODE

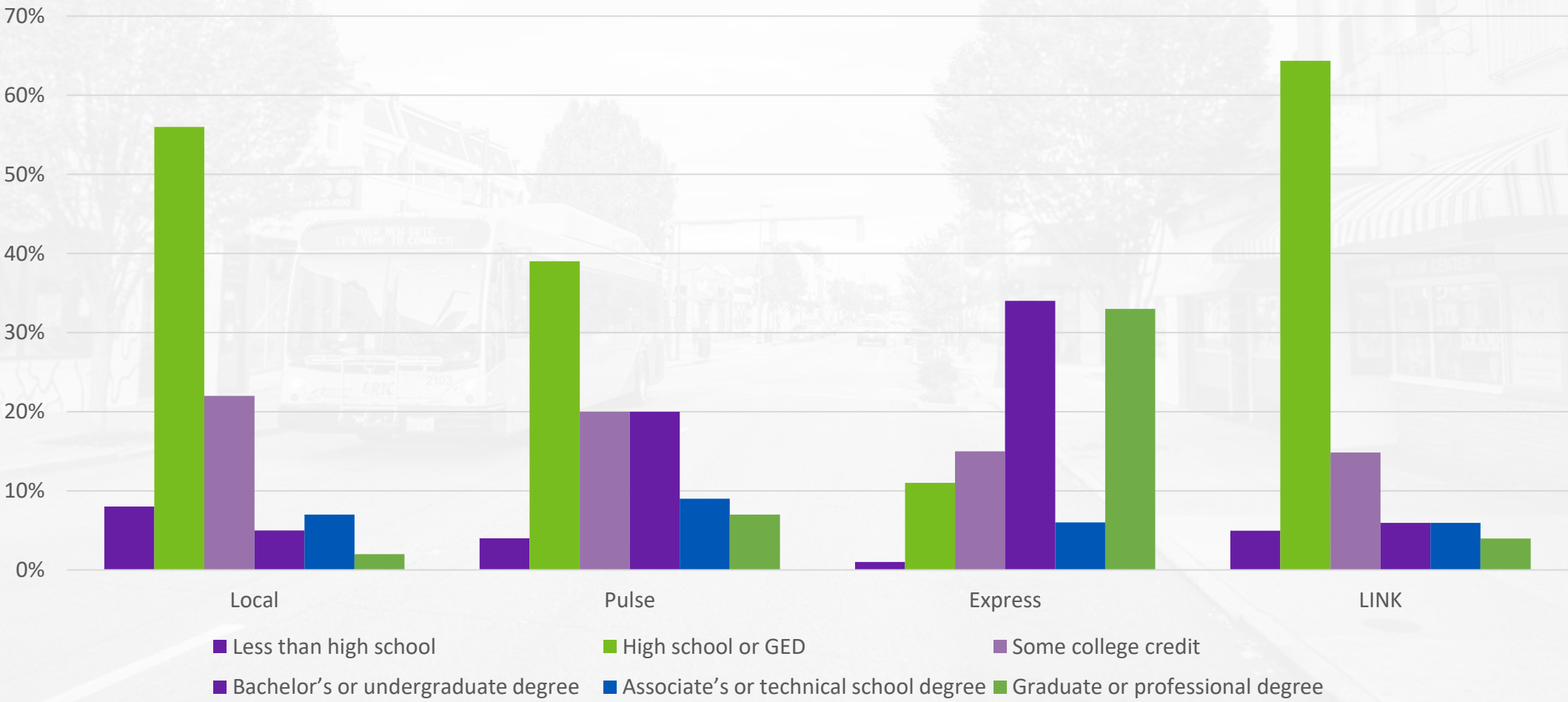




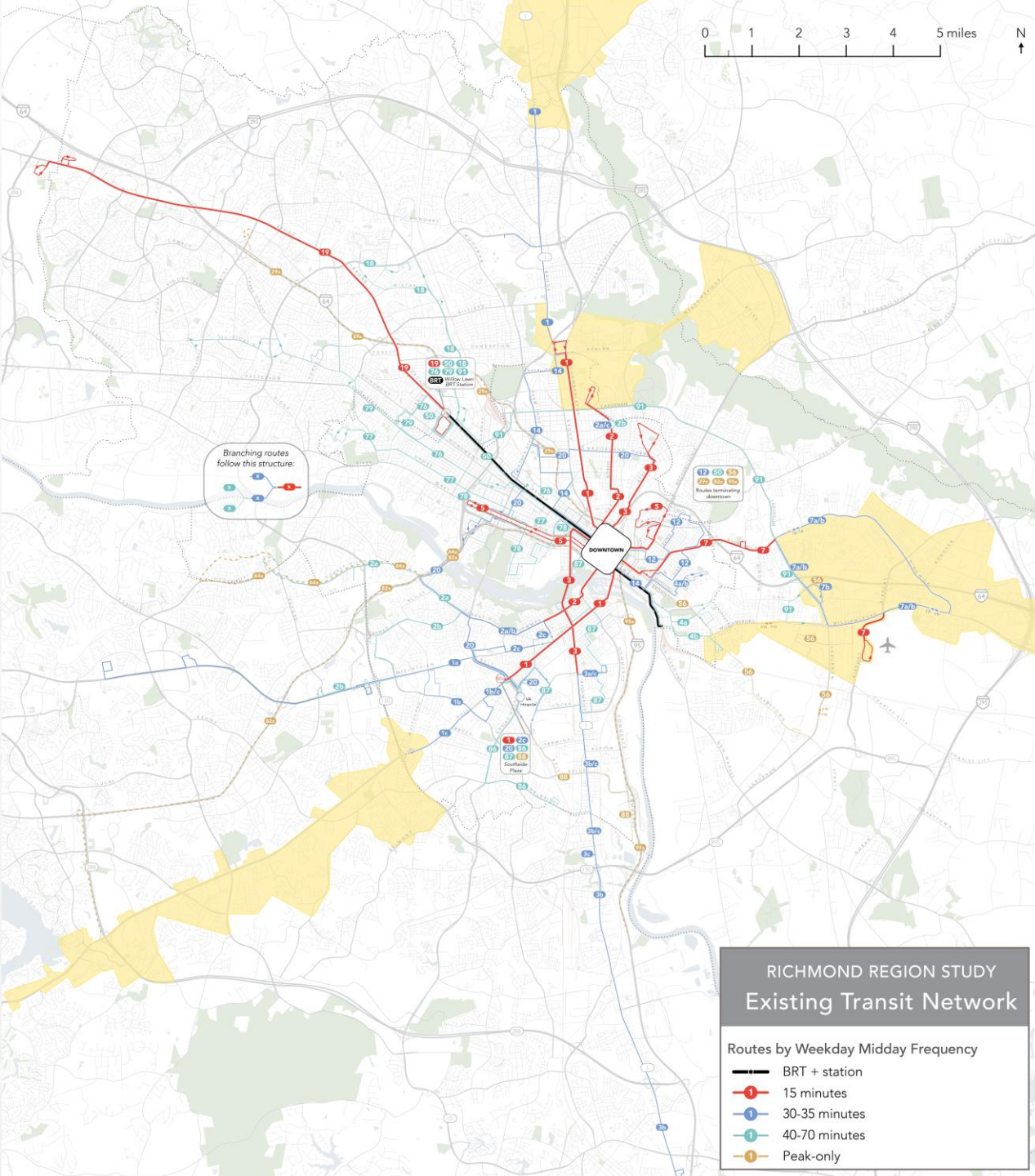
# GENDER BY MODE



# EDUCATION BY MODE







# Existing Network

- About 575,000 fixed route revenue hours per year.
- About 24,000 microtransit revenue hours per year.
- Fixed routes serve five regional jurisdictions.
- Most service is in Richmond, Henrico, and Chesterfield.

# What's the essential product of a fire department?

Firefighters participate in community programs, fundraising for good causes

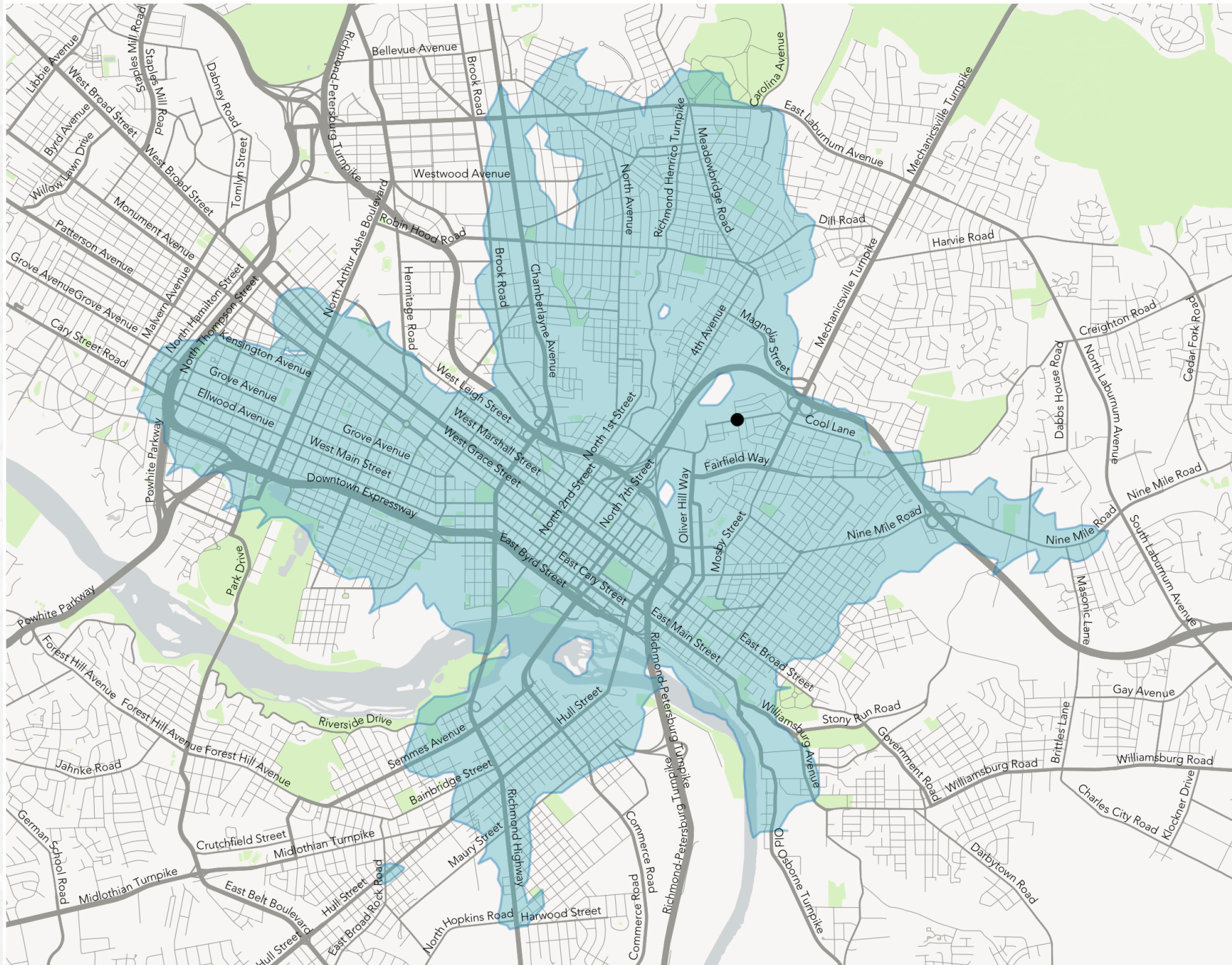
Provide dramatic content for film, TV, video

Build confidence in cities as places to live and invest

Fire and building safety

Sirens make city sound exciting





Where  
can I be,  
soon?

The walls around your life



# What if we were trying to grow these “blobs”?

Not just the area, of course, but the amount of stuff in them.

What % of a city's jobs, shops, parks, churches, potential friends, can I get to in 30 minutes?

*How much of the city, in all its richness, is available to me?*



# Freedom and Ridership Recipe

High all-day frequency ...

Forming a connected network ...

With reasonable speed and  
reliability ...

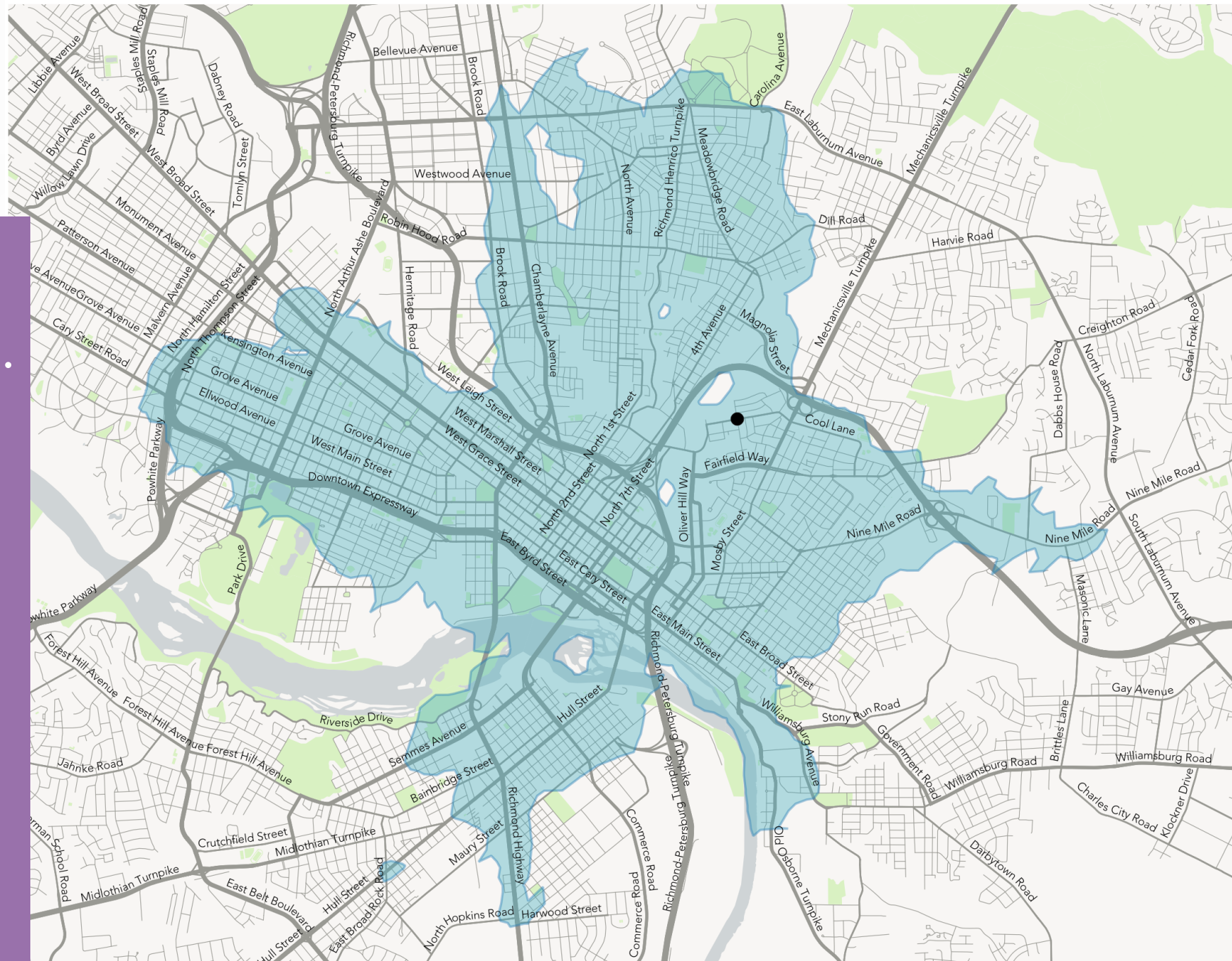
With sufficient capacity ...

following patterns of ...

Density

Walkability

Linearity





# FREQUENCY



# Frequency is Key to Usefulness

- Most overlooked
- Offers a “cubed” value:
  - Go when you want to
  - Connections!
  - Reliability
- Key to affordability



# ... But frequency is hard to explain.

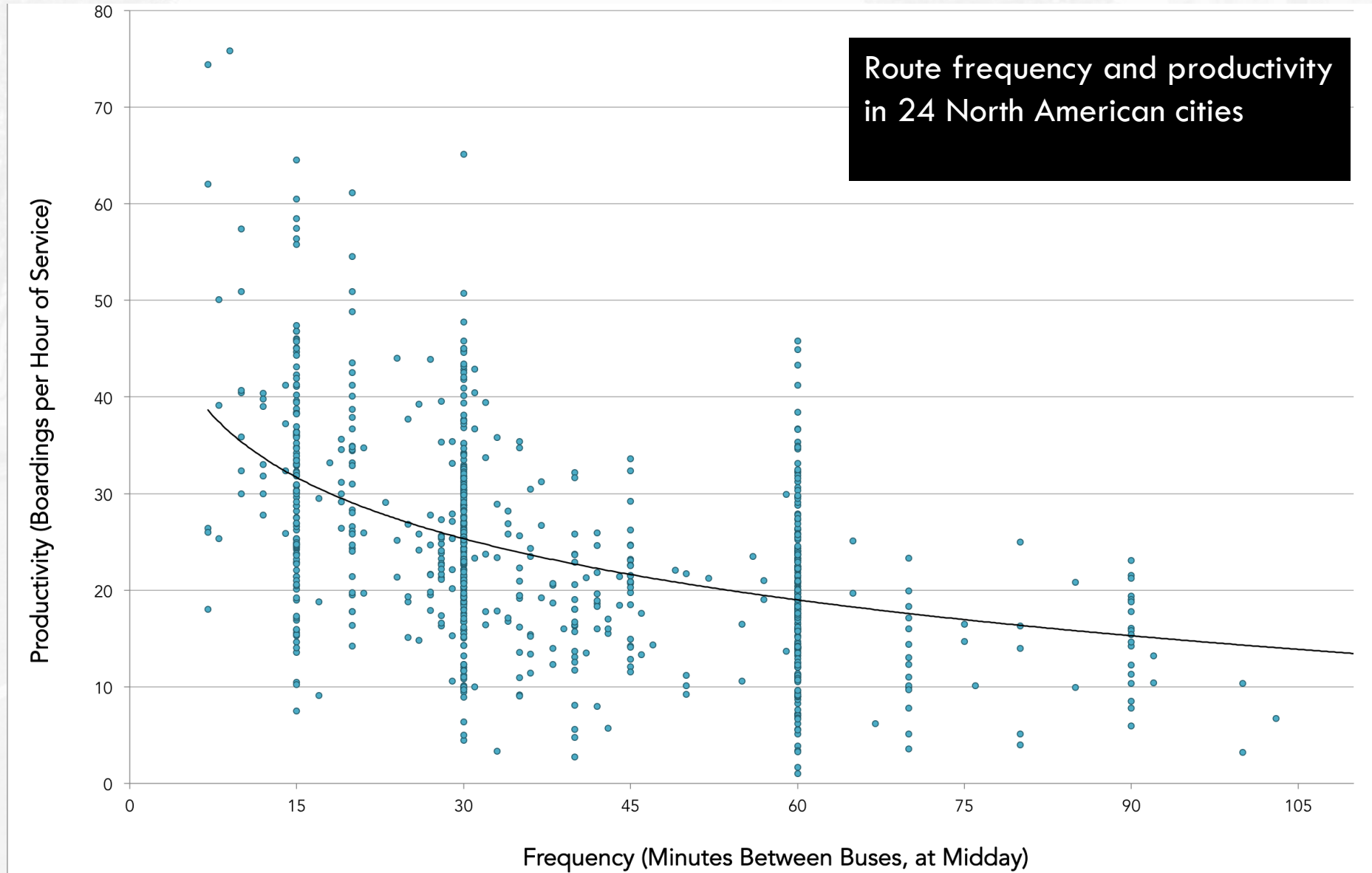
Elevators?  
Traffic signals?



Imagine that there's a gate at the end of your driveway that opens only once an hour!



# High frequency (left) = high productivity





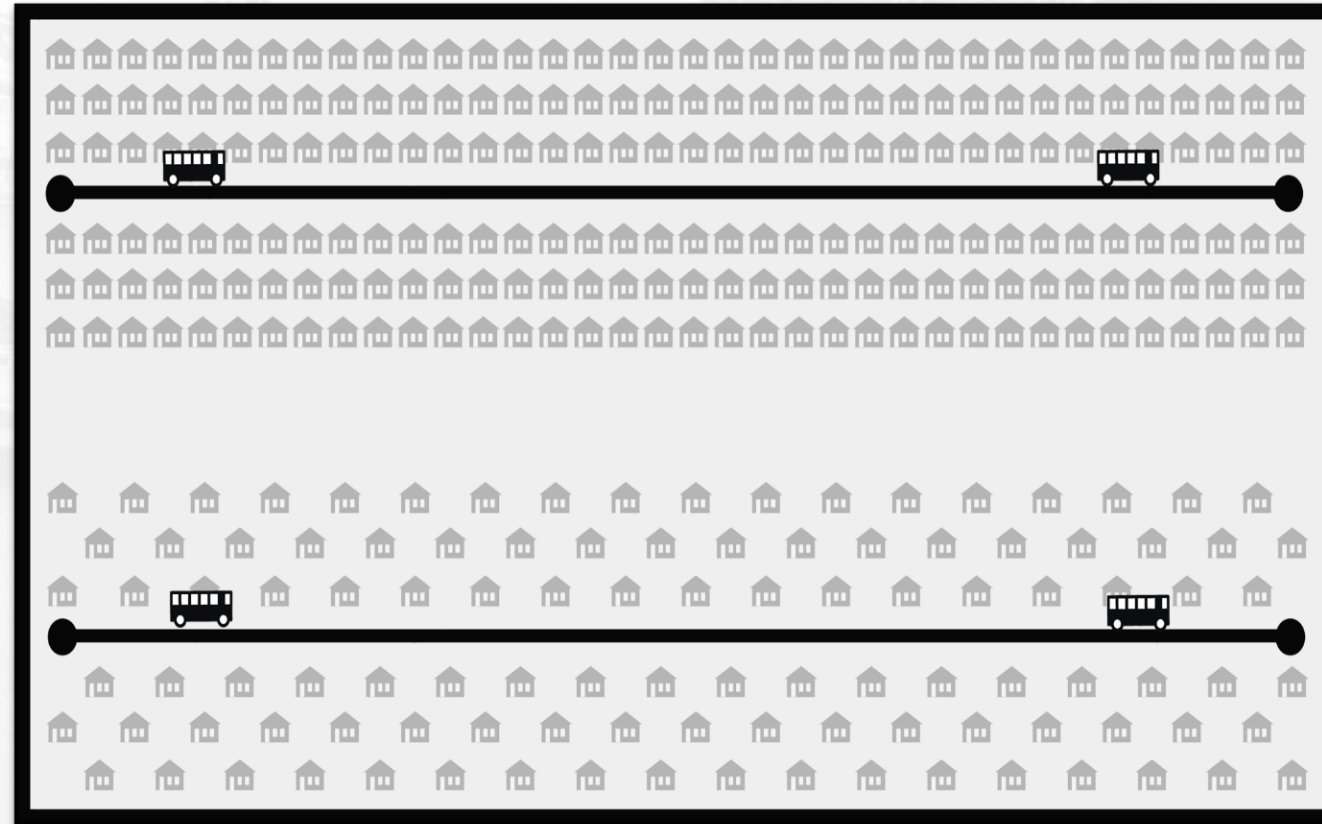
A faded background image of a city street. A white bus is driving towards the viewer on the left side of the road. The bus has a sign on its front that says "YOUR NEW GRTC IT'S TIME TO CONNECT!" and the number "2103". The street is lined with trees and buildings. On the right, there's a building with a striped awning and a sign that says "GRTC".

# WHERE DOES TRANSIT SUCCEED?

# Density

How many people are going to and from the area around each stop?

High  
ridership

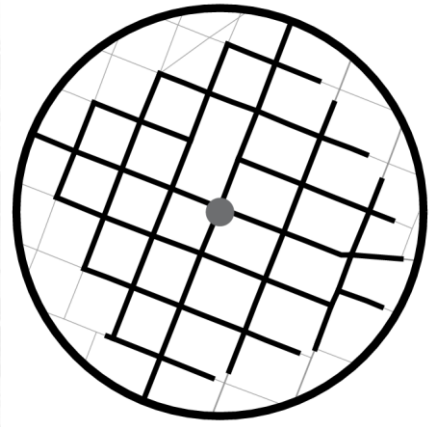


Lower  
ridership

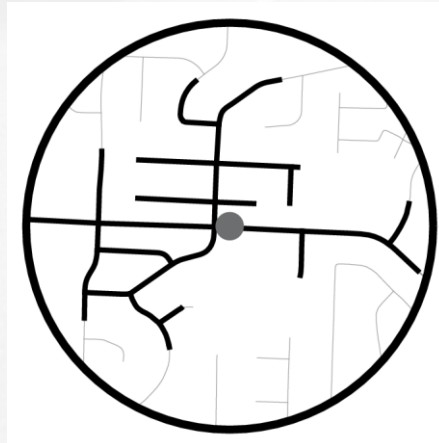
# Walkability

Can the people around the stop walk to the stop?

High  
ridership



Lower  
ridership



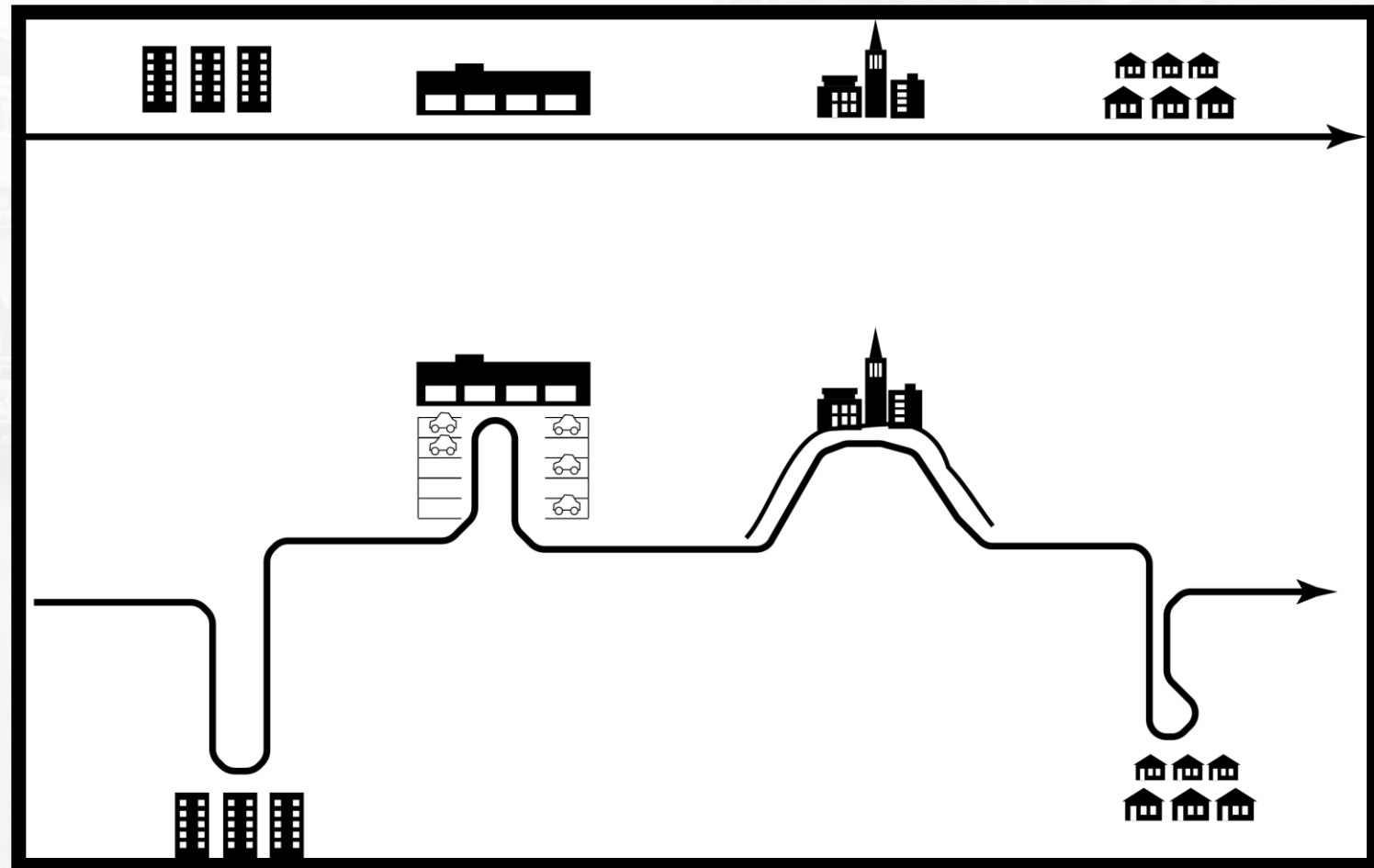


# Linearity

Can transit run in straight lines that are useful to through-riders?

Higher  
ridership,  
lower cost

Lower  
ridership,  
higher cost



# Proximity

Does transit have to cross long low-ridership gaps?

Lower  
cost



Higher  
cost





A faded background image of a city street. A white bus is driving towards the viewer on the left side of the road. The bus has a sign on its front that says "YOUR NEW GRTC IT'S TIME TO CONNECT!" and the number "2103". The street is lined with trees and buildings. On the right, there's a building with a striped awning and a sign that says "GRTC".

# **FREQUENCY OR COVERAGE?**

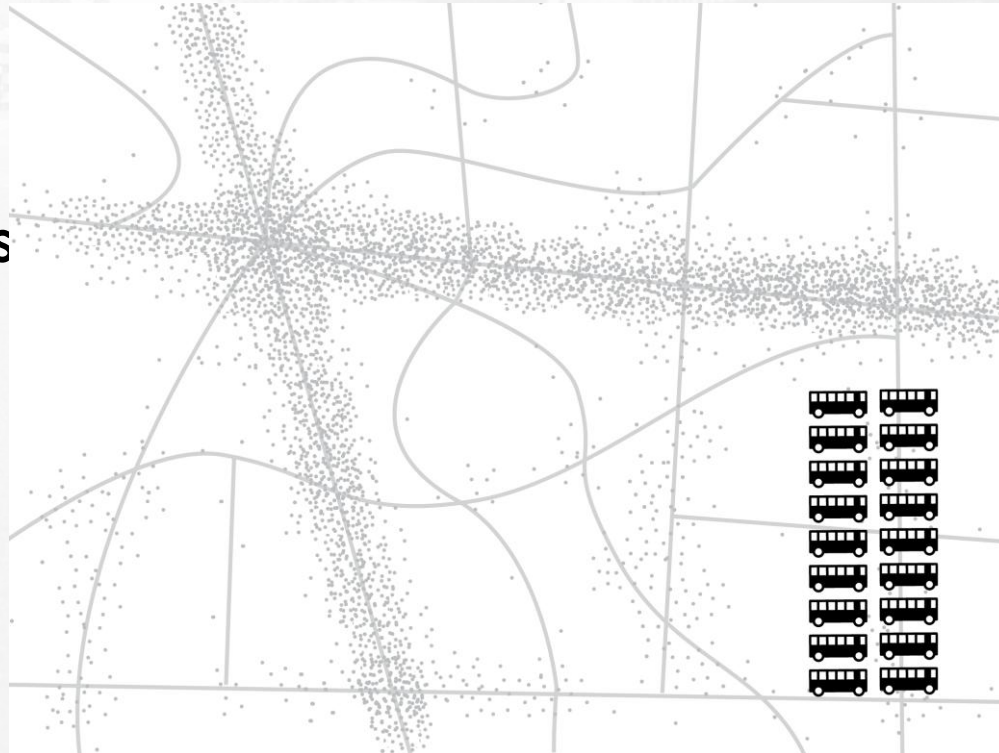
**ACCESS FOR MANY OR SOMETHING FOR ALL?**

# How should a transit agency allocate its resources?

Fictional Urban Area

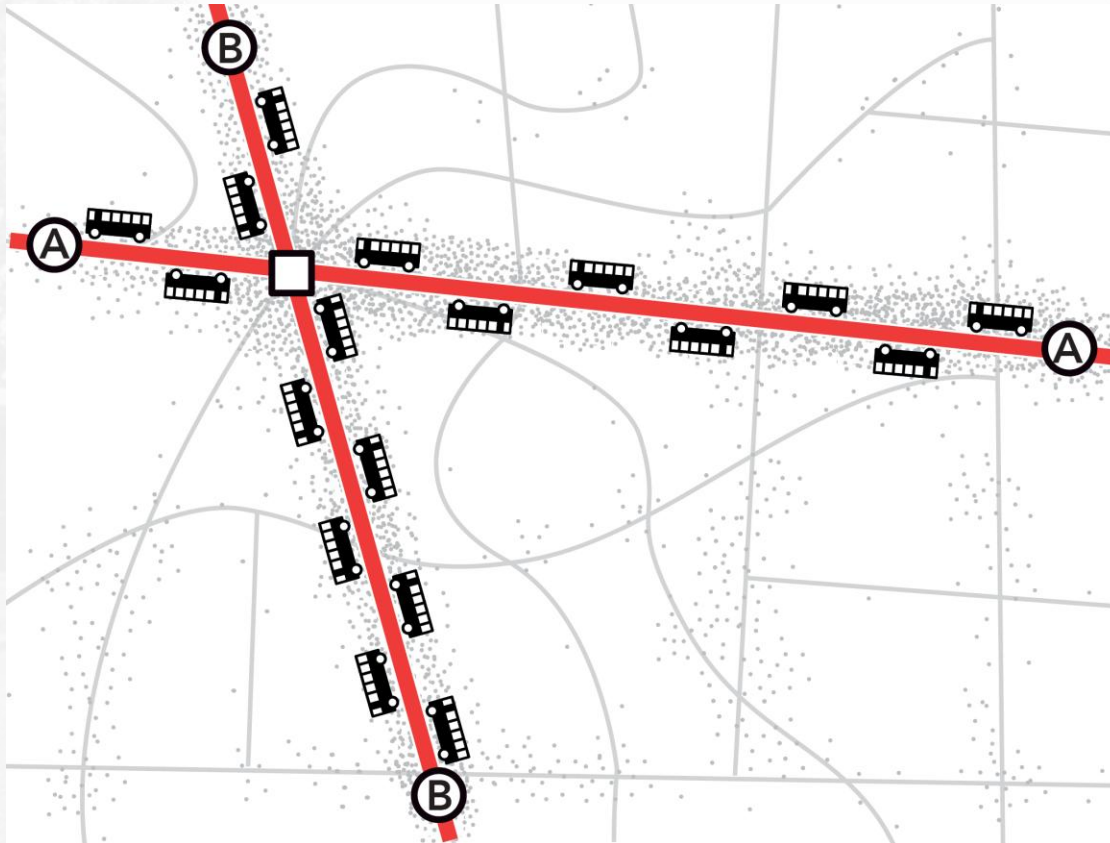
Dots = residents and jobs

You have 18 buses





# Ridership Goal “Frequent Network”



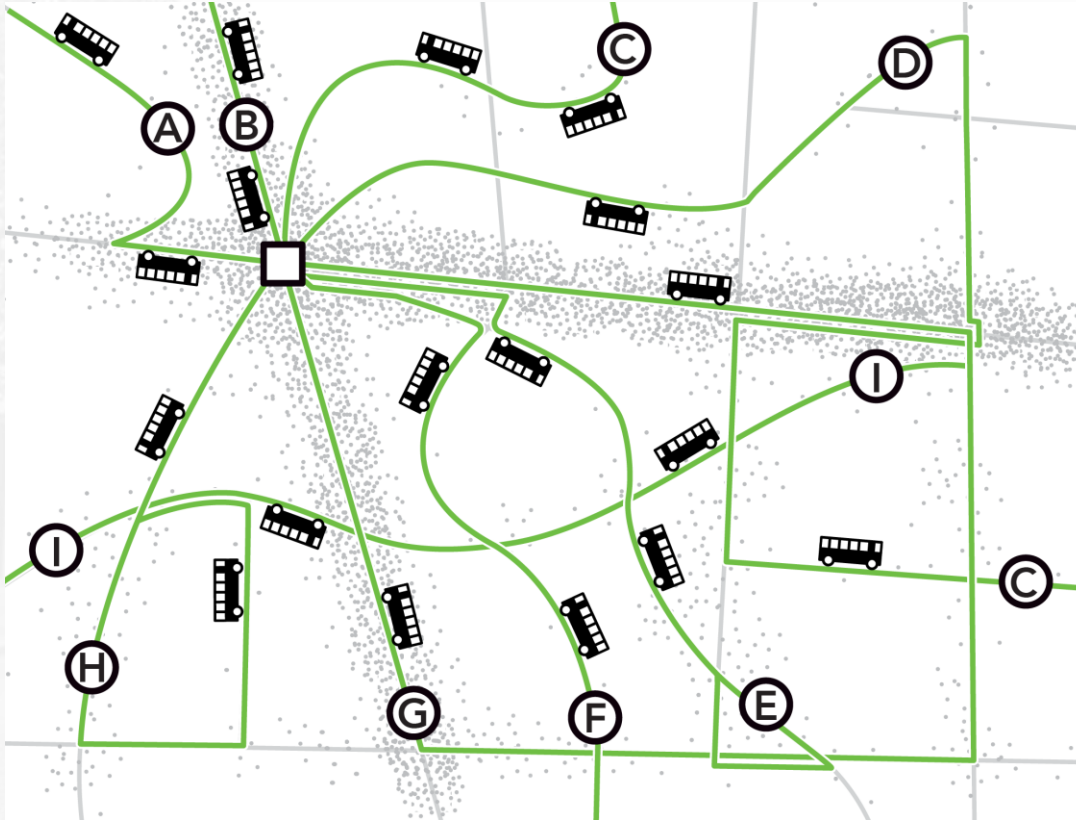
Think like a business,  
choosing which markets you  
will enter.

High frequency for high  
ridership places, but no  
service elsewhere.

Performance Measure: *Productivity*

Ridership relative to cost

# Coverage Goal “Some service for everyone”



Go everywhere, even those in expensive-to-serve places.

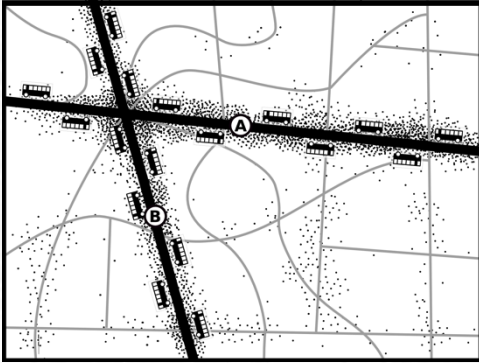
Low frequency.

Performance Measure: *Coverage*

% of population and jobs near any service



Both goals are important,  
... but they lead opposite directions!



### Ridership Goal

*“Think like a business.”*

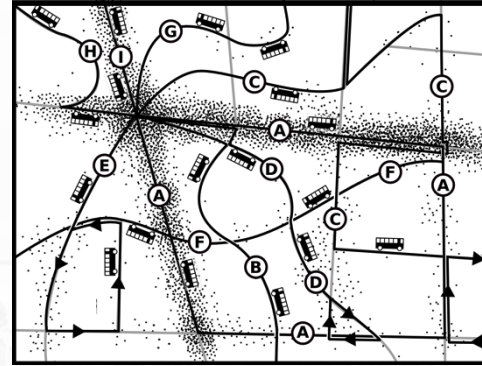
Focus where ridership potential is highest.

Supports dense redevelopment.

Environmental benefits

Congestion benefits

Maximum job access.



### Coverage Goal

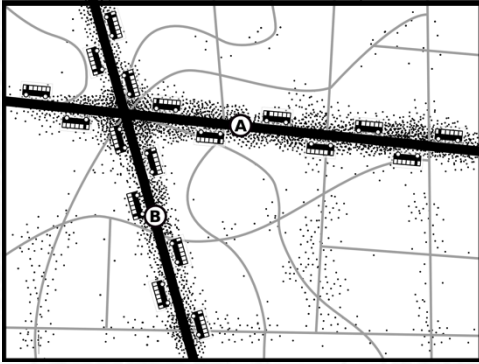
*“Access for all”*

Services for suburban, hard-to-serve areas, despite low ridership.

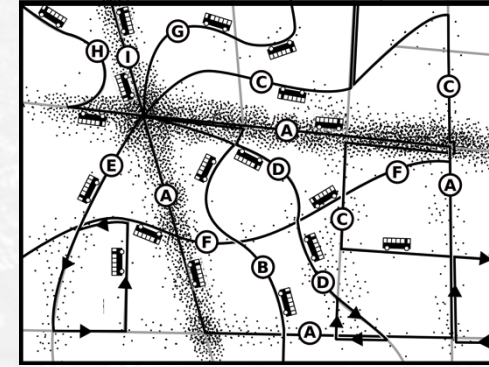
Lifeline access for everyone

Political equity: Service to every neighborhood or electoral district.

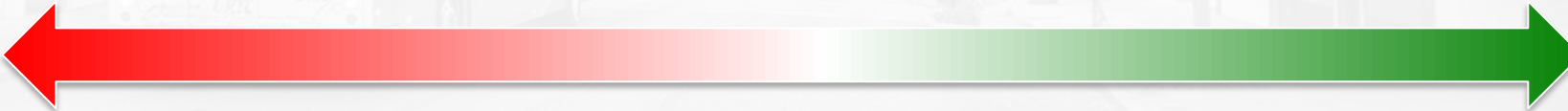
# So it helps to choose a point on the spectrum ...



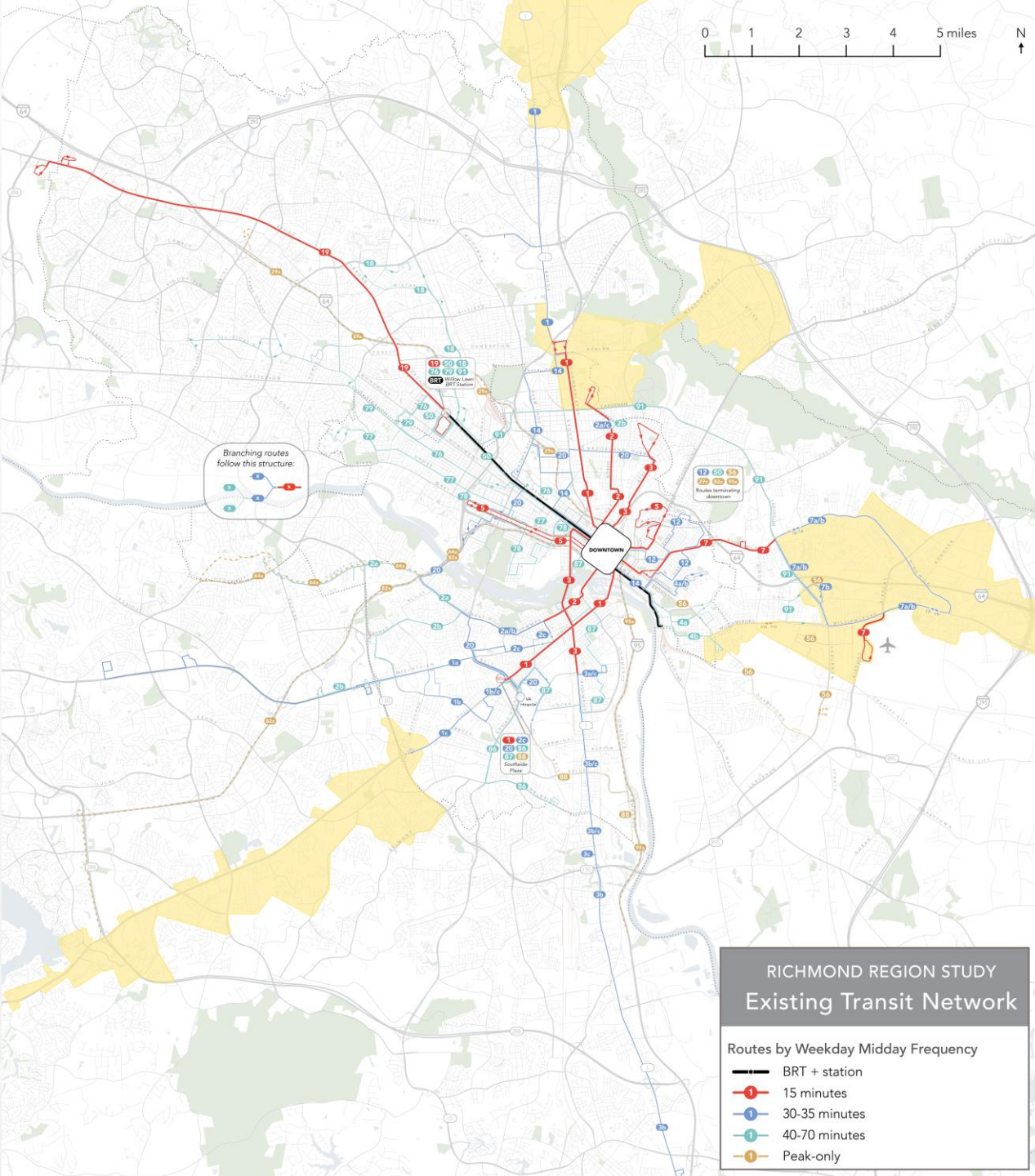
Ridership Goal



Coverage Goal







# Existing Network

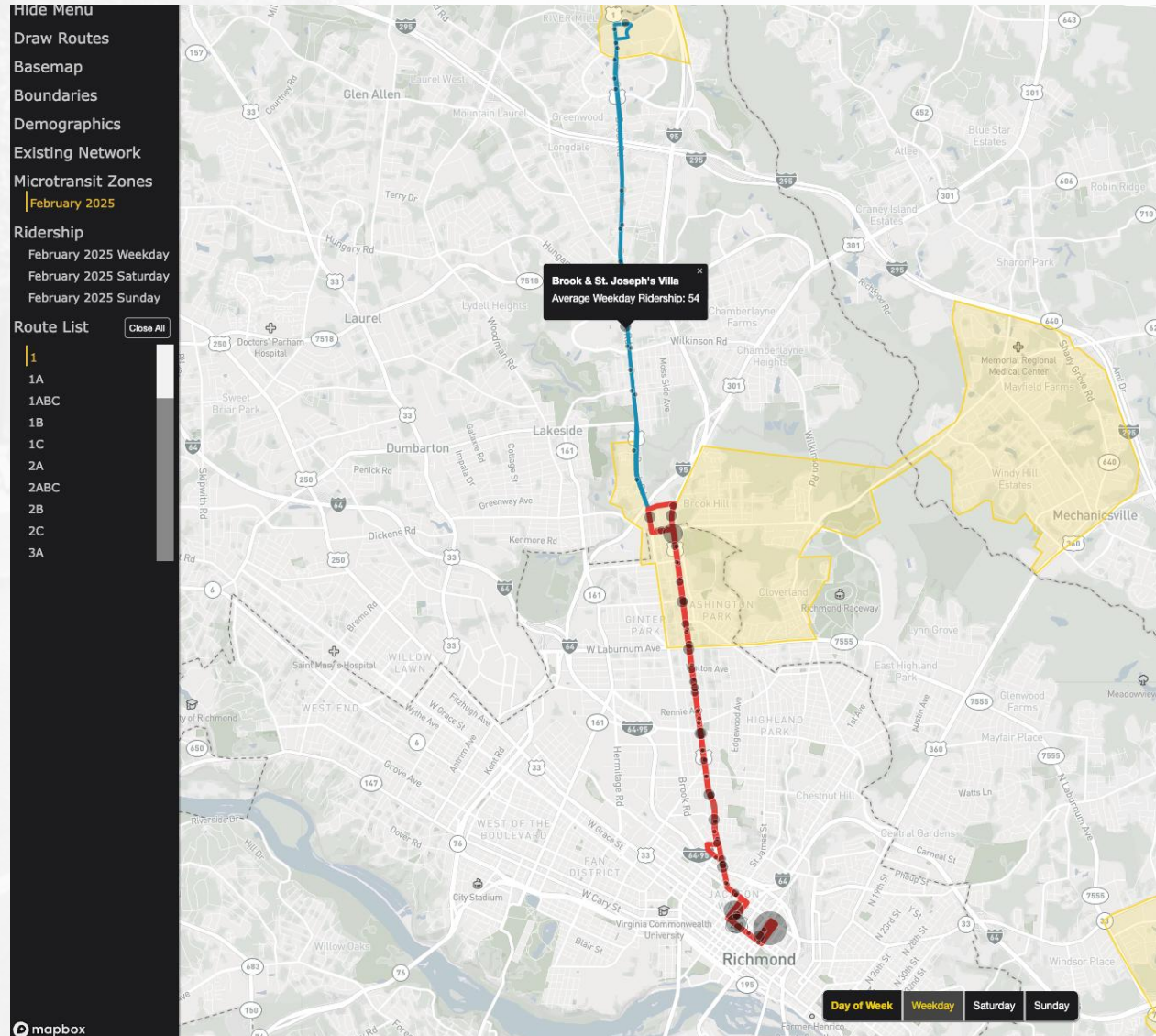
- About 65% of service hours focused on high ridership places
- About 35% focused on coverage goals
  - Including all Microtransit zones



# Interactive Tool to Explore Data

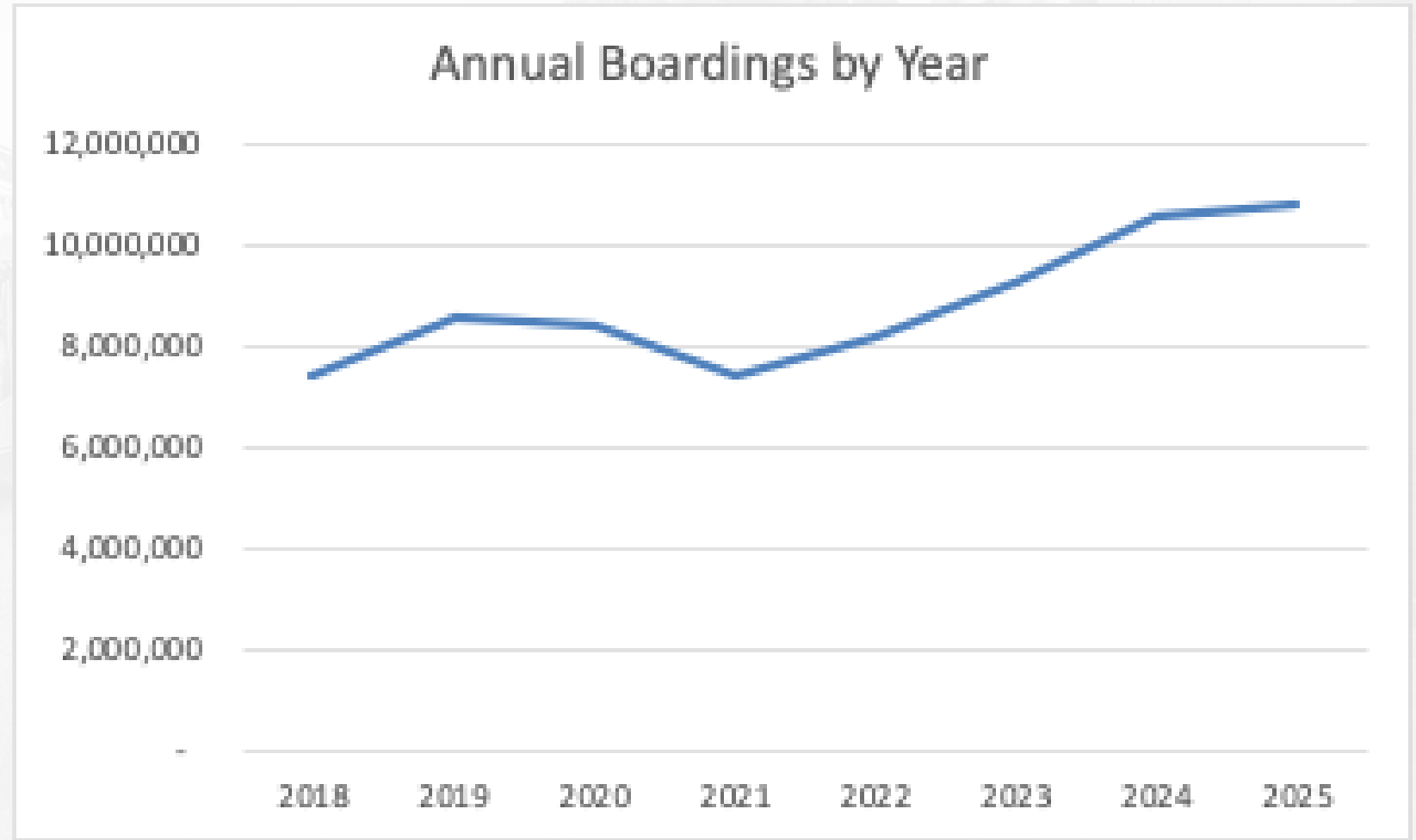
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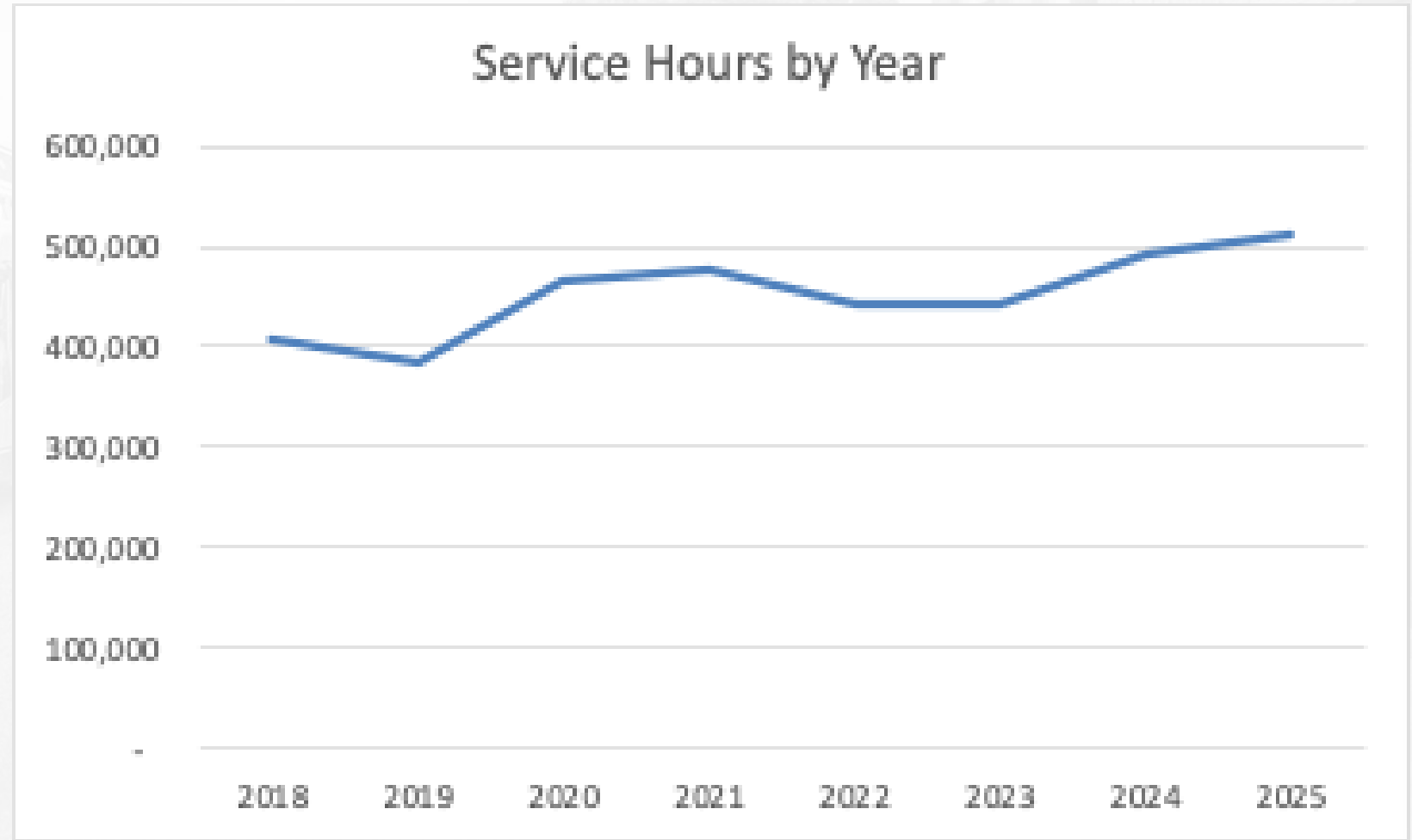
# FIXED ROUTE RIDERSHIP TRENDS

- Ridership is up by 3.4 million annual boardings since 2018
- That's a 47% increase



# FIXED ROUTE SERVICE HOUR TRENDS

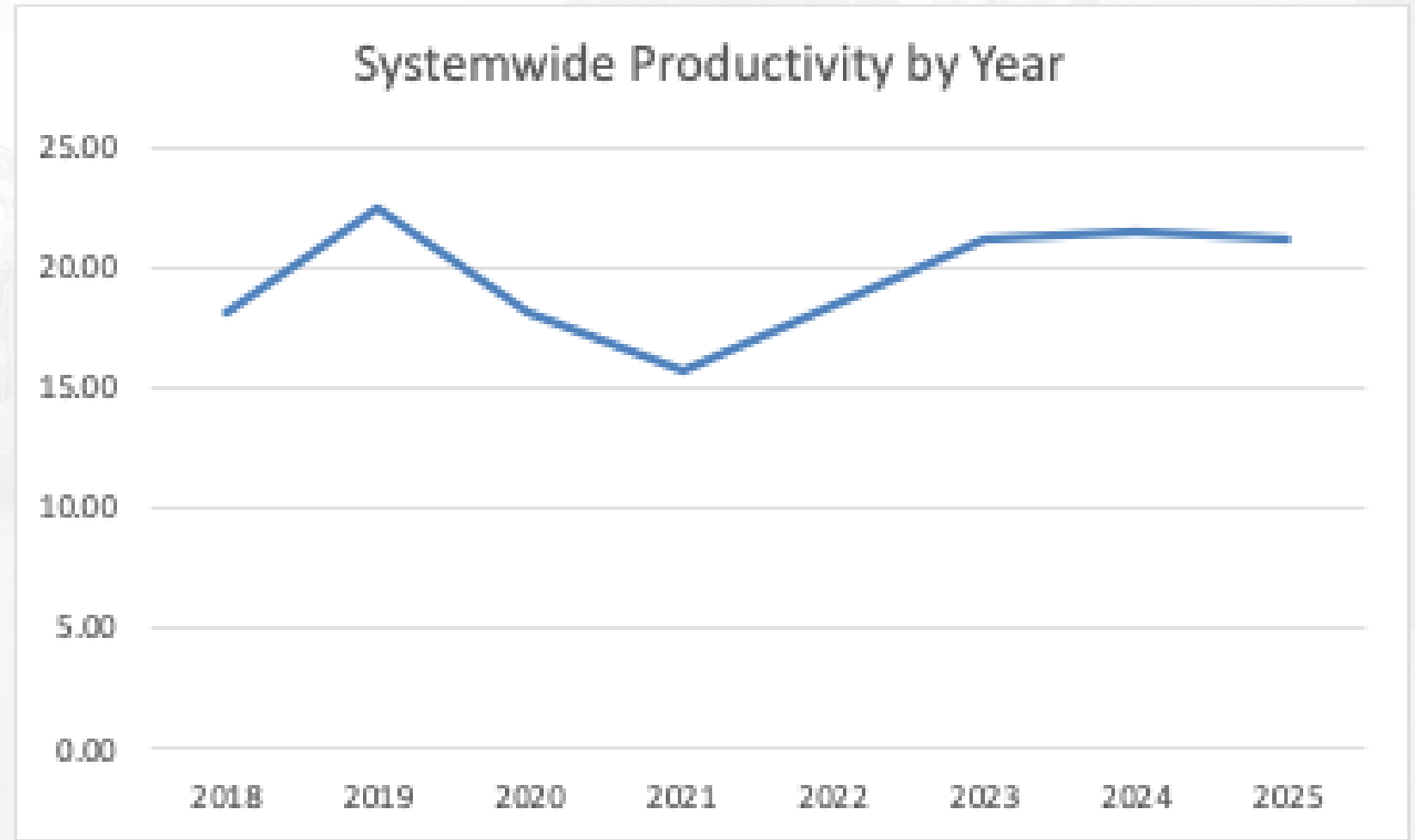
- Service levels are up by 108,000 annual service hours since 2018.
- That's a 25% increase.
  - Route 19
  - Route 7A/7B
  - Route 91
  - Route 1
  - Route 1A
  - Route 3B
  - Route 18
  - Route 79





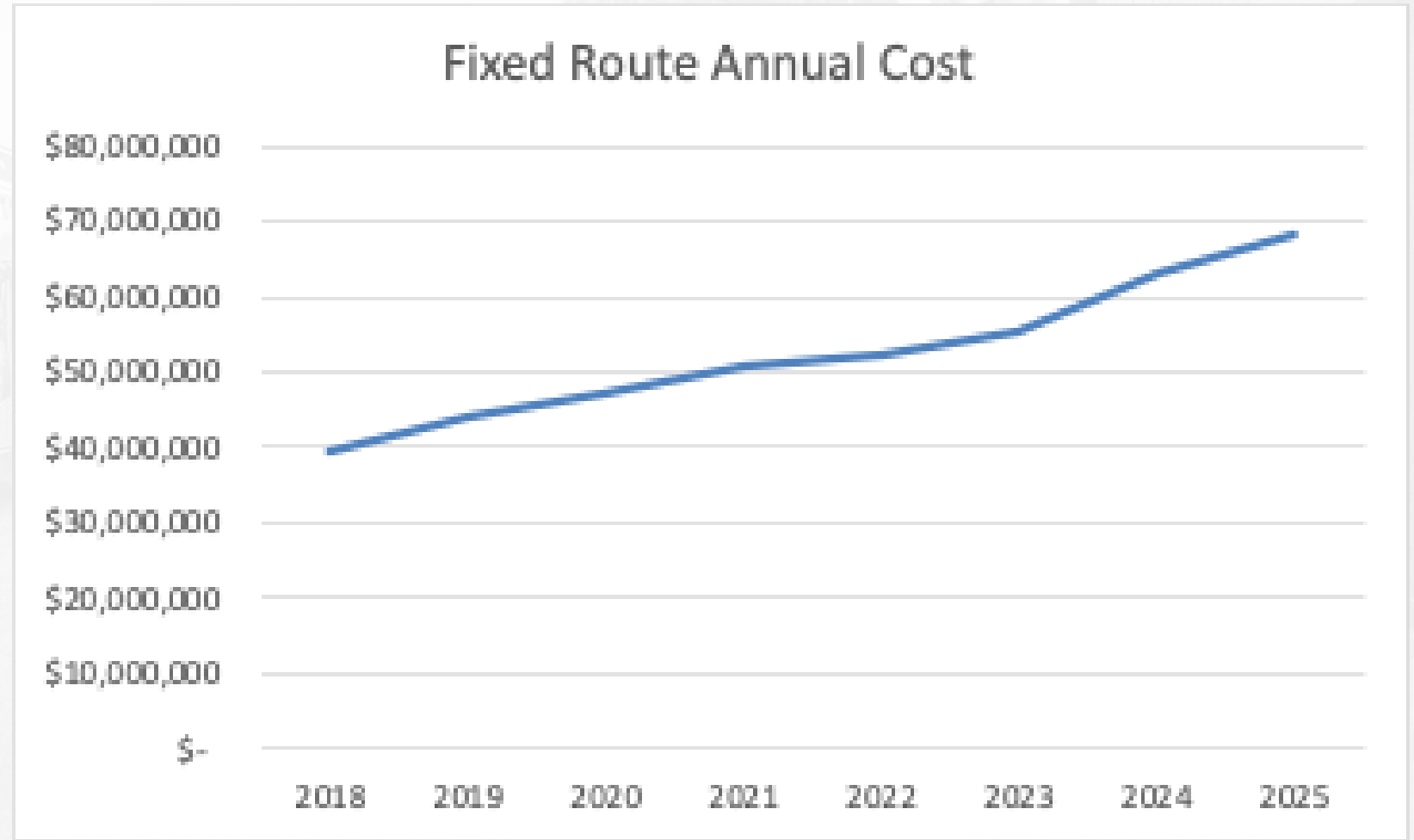
# FIXED ROUTE PRODUCTIVITY TRENDS

- Productivity is up 17% since 2018.
- It peaked in 2019 at 22.5 boardings per service hour.



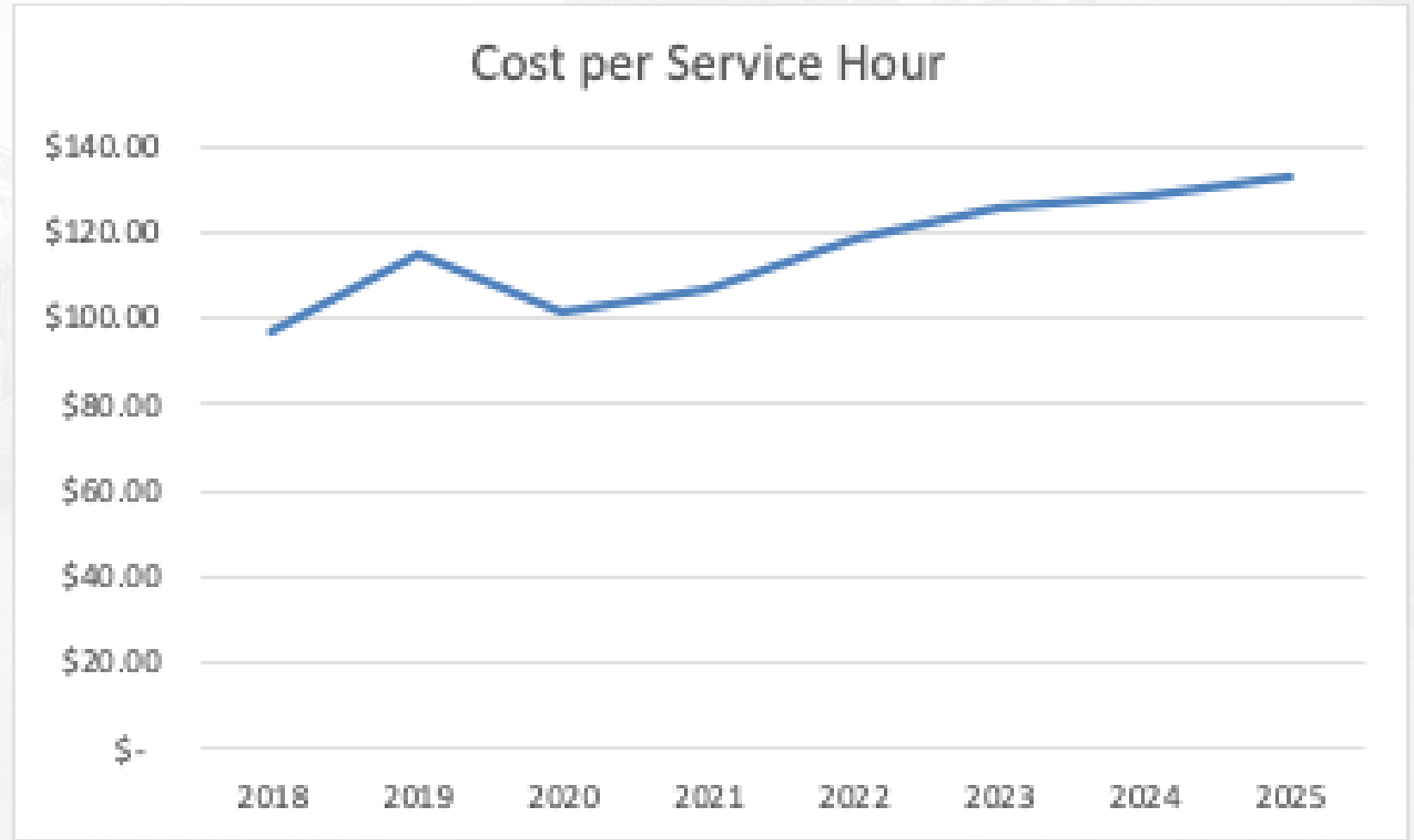
# FIXED ROUTE COST TRENDS

- Costs are up \$28 million since 2018.
- That's a 72% increase.



# FIXED ROUTE COST PER HOUR TRENDS

- Cost per Service Hour is up 37% over that period, as labor costs have increased significantly.



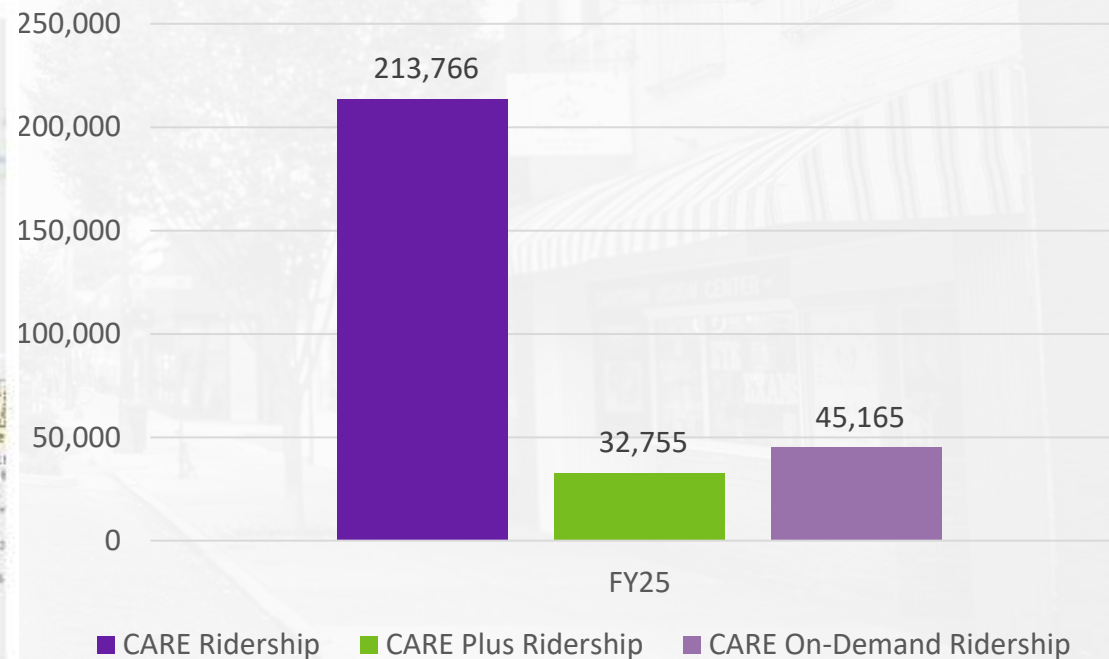
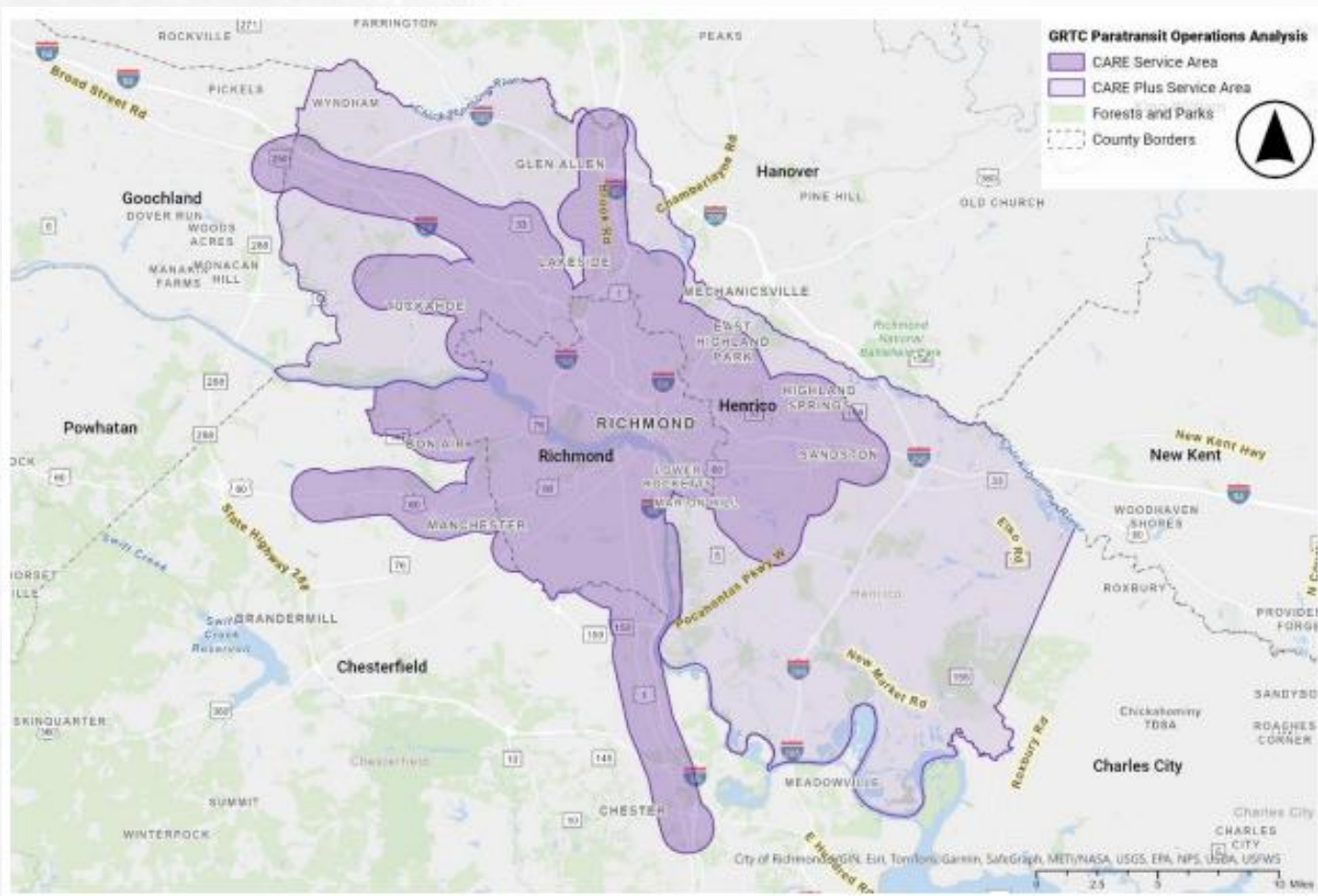


# FIXED ROUTE COST PER BOARDING TRENDS

- Cost per Boarding has increased by 17%, moderated by the increased ridership relative to increased costs.



# FY25 PARATRANSIT SUMMARY



- CARE

- FTA Required
- Zero Fare

- CARE Plus

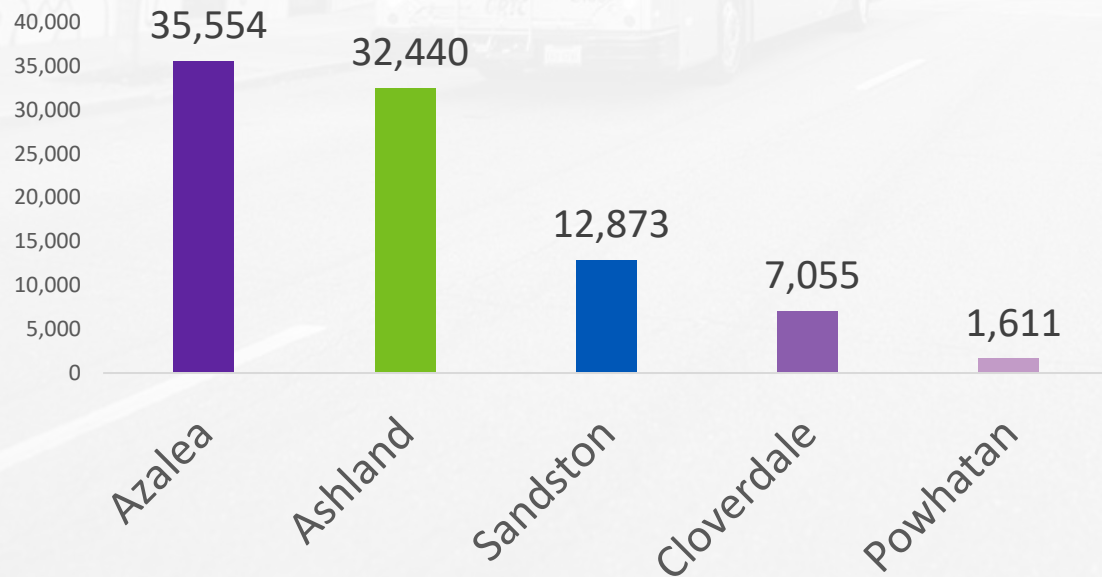
- Premium Svc
- Zero Fare

- CARE on Demand

- Premium Svc
- \$7 Min (6 miles)

# Microtransit

- 5 Zones
  - Route Replacement
  - Last Mile/First Mile (New/Rural Svc)
- 3 Year Pilot
  - 1.5/2 Years Complete
  - Zero Fare



Pilot Zones	FY25 Cost
Powhatan	\$ 256,132.27
Ashland	\$ 948,294.73
Azalea	\$ 815,603.39
Clover Dale	\$ 549,572.98
Sandston	\$ 610,151.09

Pilot Zone	Cost per Trip
Azalea	\$29.81
Ashland	\$45.52
Sandston	\$58.25
Cloverdale	\$83.04
Powhatan	\$81.66



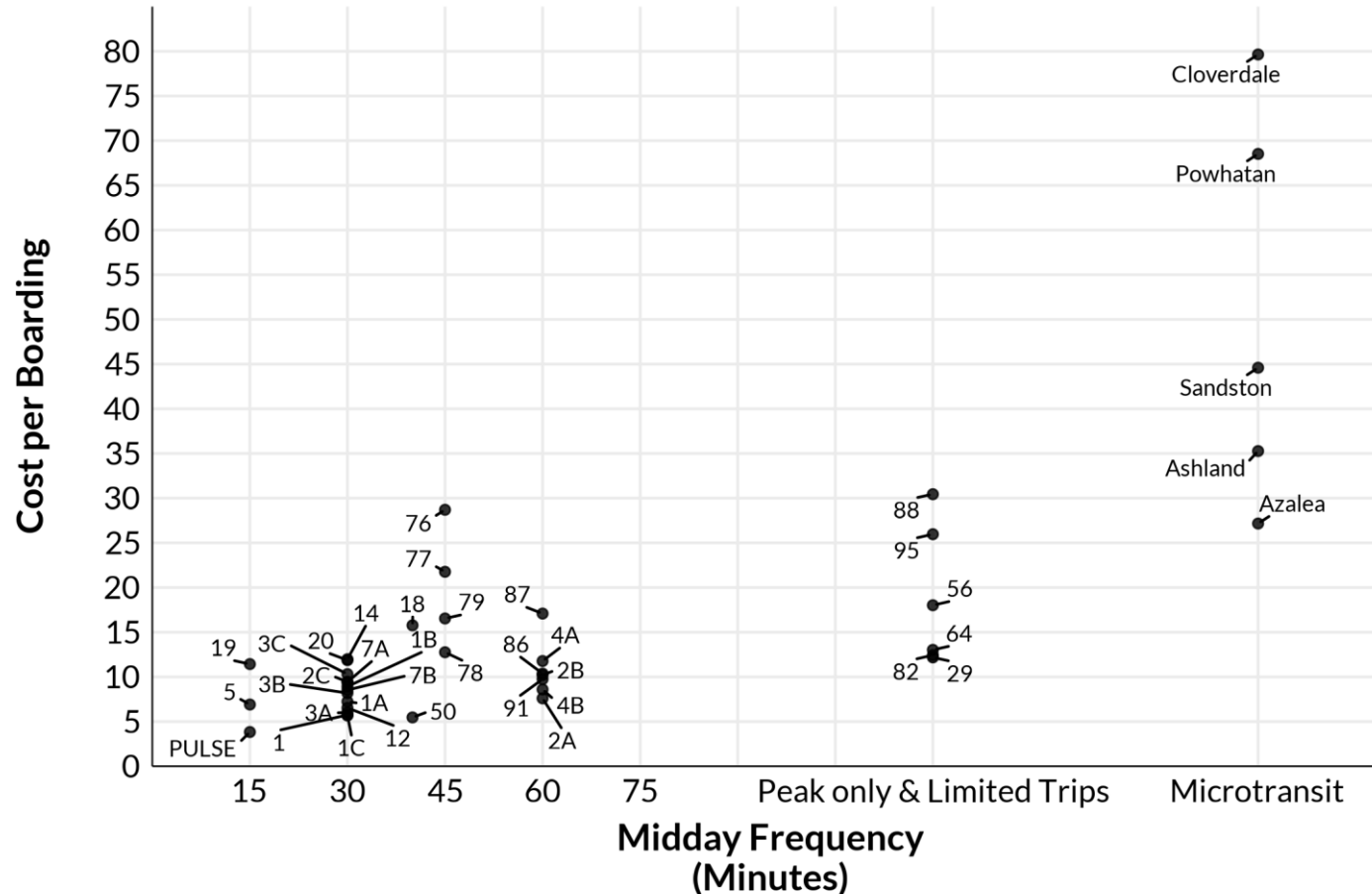
# 2025 SUMMARY BY MODE

- **Fixed Route**  
76% of Service Hours,  
84% of costs,  
97% of ridership.
- **Microtransit**  
3% of Service Hours,  
4% of costs,  
1% of ridership.
- **Paratransit**  
21% of Service Hours,  
12% of costs,  
2% of ridership.

	Fixed Route	Microtransit	Paratransit
Riders	10,818,833	81,576	247,579
Service Hours	511,630	23,526	138,326
Productivity	21.15	3.47	1.79
Annual Cost	\$68,049,942	\$2,872,749	\$10,089,983
Cost per Boarding	\$6.29	\$35.22	\$40.75
Cost per Service Hour	\$133.01	\$122.11	\$72.94

# COST PER BOARDING BY SERVICE

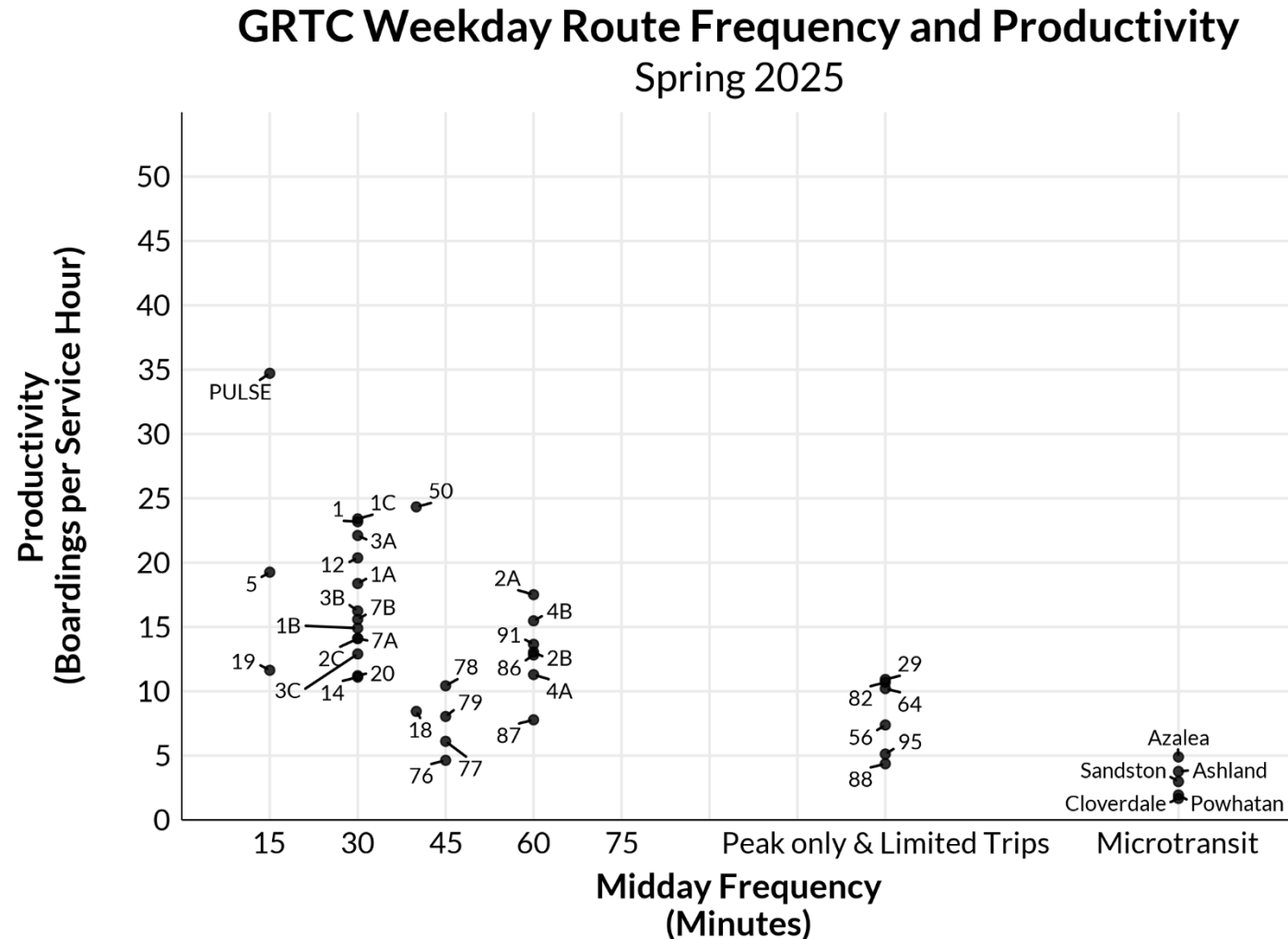
GRTC Weekday Route Frequency and Cost per Boarding  
Spring 2025



- Effectively the inverse of productivity.
- Lower frequency is associated with higher cost per boarding.

# Productivity by Service (Fixed and Microtransit)

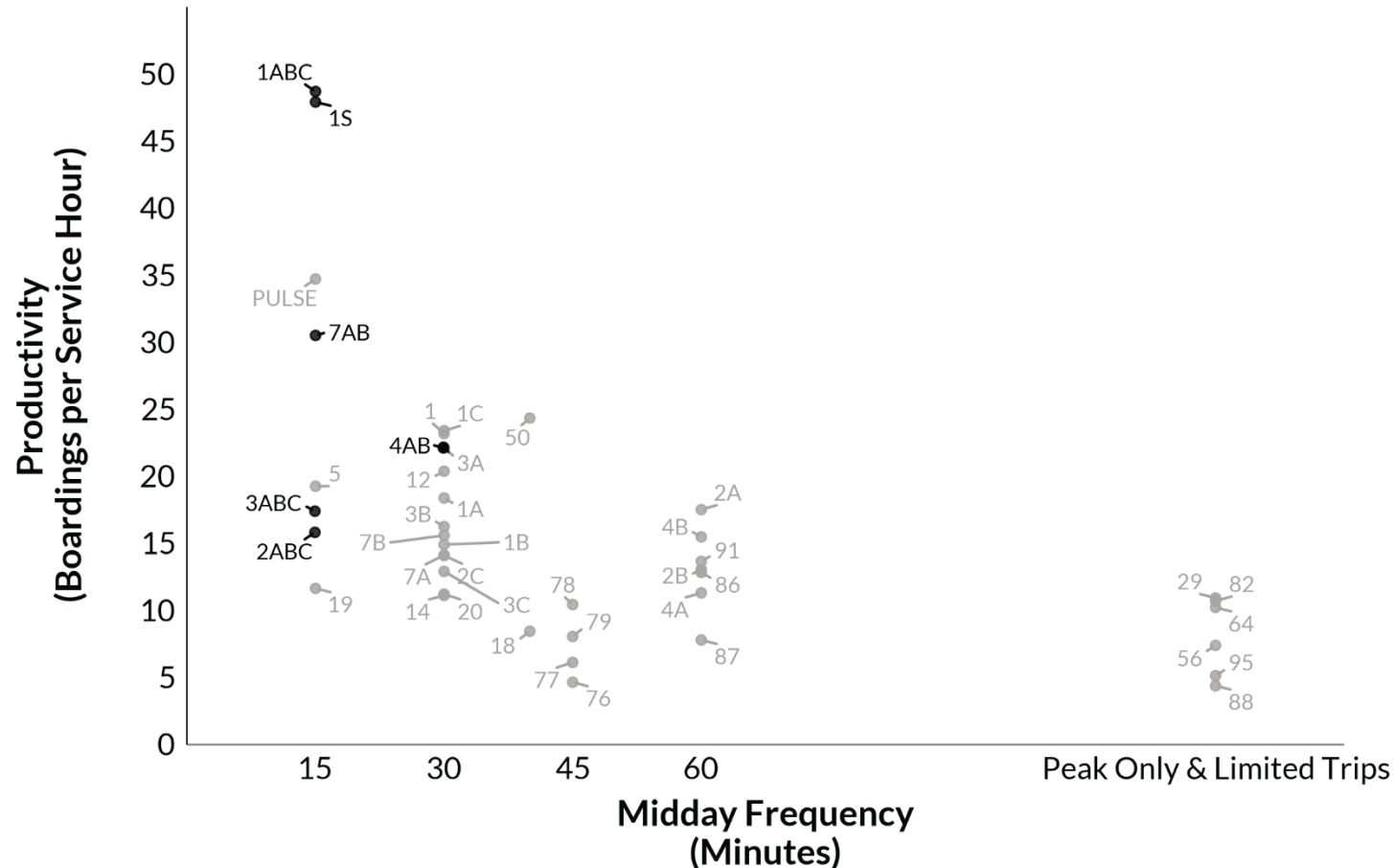
- Higher frequency services tend to have higher productivity levels





# Productivity on Trunk Corridors

GRTC Weekday Combined Segment Frequency and Productivity  
Spring 2025

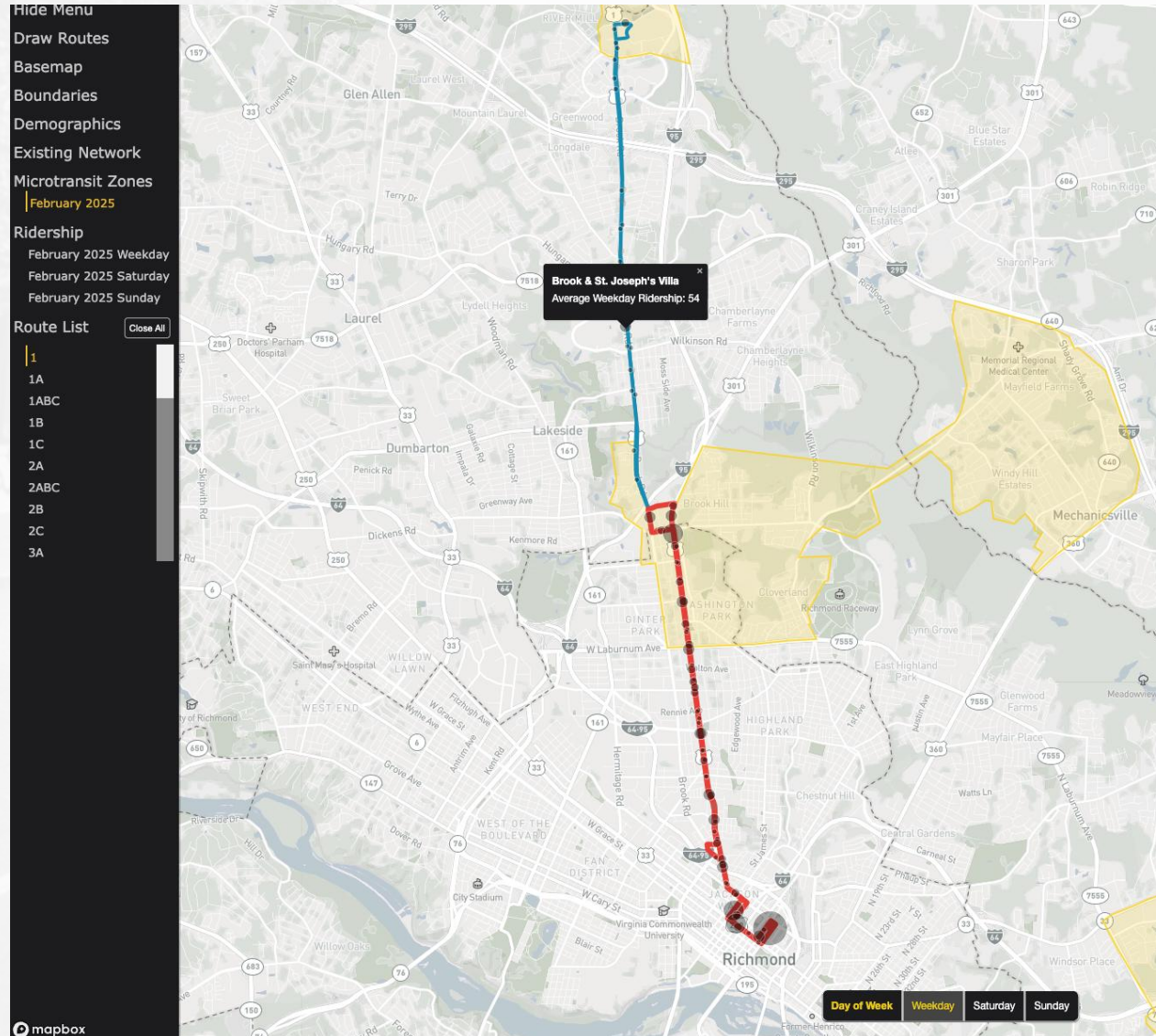


- Here the trunk services are highlighted, showing the particularly high productivity of inner Hull Street, Chamberlayne Ave, and Nine Mile Rd.

# INTERACTIVE TOOL TO EXPLORE DATA

- Interactive mapping tool to explore ridership by stop, productivity by route, and other data.

<https://webmap.jwainternal.com/richmondgrtc/index.html>







**FY2026 – FY2031**



# Revenue Buckets in the Funding Puzzle

Federal	State	Regional	Local
<ul style="list-style-type: none"><li>• Formula 5307: Capital and Operating</li><li>• Formula 5339: Capital Only</li><li>• Other Discretionary Programs</li></ul>	<ul style="list-style-type: none"><li>• Formula: MERIT Operating</li><li>• Formula: MERIT Capital</li><li>• Discretionary: DEMO, TRIP, etc.</li></ul>	<ul style="list-style-type: none"><li>• Formula: CVTA 15%</li></ul>	<ul style="list-style-type: none"><li>• Formula: Minimum contributions from Richmond, Henrico, Chesterfield</li><li>• Discretionary: Pay for service (Petersburg)</li></ul>

# FY 2026 Revenue Buckets

Federal	State	Regional	Local
<ul style="list-style-type: none"><li>• \$18 Million</li><li>• 19% of budget</li></ul>	<ul style="list-style-type: none"><li>• \$25.8 Million</li><li>• 27% of revenues<ul style="list-style-type: none"><li>• 7% is in short-term grants</li></ul></li></ul>	<ul style="list-style-type: none"><li>• \$28.4 Million</li><li>• 30% of revenues</li><li>• Only using the direct funding.</li></ul>	<ul style="list-style-type: none"><li>• \$16.5 Million</li><li>• 17% of revenues</li></ul>

# Revenue Buckets in the Funding Puzzle

## Ongoing

- Annual appropriations from Fed, State, Regional, etc
- 84% of FY26 Revenues

## Directly Generated

- Advertising, Operating Revenue, etc
- 2% of FY26 Revenues

## One-Time and Limited Grants

- Prior Year Reserves
  - 4% of FY26 Revenues
- CVTA Reserves
- Time Limited Grants
  - 10% of FY26 Revenues



# Revenue Buckets in the Funding Puzzle

## Ongoing

- Annual appropriations from Fed, State, Regional, etc
- 84% of FY26 Revenues

## Directly Generated

- Advertising, Operating Revenue, etc
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## One-Time and Limited Grants

- Prior Year Reserves
  - 4% of FY26 Revenues
- CVTA Reserves
- Time Limited Grants
  - 10% of FY26 Revenues

# 5 YEAR REVENUE PROJECTION

		2026	2027	2028	2029	2030	2031
<b>Operating Revenue</b>							
Category							
Federal	Federal - 5307 PM Flex	\$ 11,961,212	\$ 6,820,048	\$ 7,024,650	\$ 7,235,389	\$ 7,452,451	\$ 7,676,025
Federal	Federal - 5307 ADA Flex	\$ 1,444,127	\$ 1,487,451	\$ 1,532,074	\$ 1,578,037	\$ 1,625,378	\$ 1,674,139
Federal	Federal Grants for IT Improvements	\$ 848,045					
Federal	Fed CMAQ Grant (Zero Fare)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Federal	ARPA Funding to Support State Grants	\$ 1,769,008	\$ -	\$ -	\$ -	\$ -	\$ -
State	VADRPT Formula Operating Contribution	\$ 19,149,752	\$ 19,724,245	\$ 20,315,972	\$ 20,925,451	\$ 21,553,215	\$ 22,199,811
State	VDOT Operating Grants	\$ 2,919,178	\$ 2,900,000	\$ 1,744,537	\$ -	\$ -	\$ -
State	Special State Operating Grants (TRIP & DEMO)	\$ 3,725,038	\$ 1,636,415	\$ 789,832	\$ -	\$ -	\$ -
Regional	CVTA Direct Funding to Operations	\$ 28,410,527	\$ 39,288,410	\$ 45,428,062	\$ 60,265,904	\$ 62,201,881	\$ 39,335,938
Local	City of Richmond	\$ 9,349,018	\$ 9,582,743	\$ 9,798,355	\$ 10,018,818	\$ 10,244,242	\$ 10,474,737
Local	County of Henrico	\$ 4,489,539	\$ 4,601,777	\$ 4,705,317	\$ 4,811,187	\$ 4,919,439	\$ 5,030,126
Local	County of Chesterfield	\$ 269,274	\$ 276,006	\$ 282,216	\$ 288,566	\$ 295,059	\$ 301,697
Local	County of Chesterfield TRIP Grant to Route 1a	\$ 2,190,522	\$ 2,190,522	\$ 2,196,245			
Local	Petersburg	\$ 200,000	\$ 206,000	\$ 212,180	\$ 218,545	\$ 225,102	\$ 231,855
Self-Funded	VCU TRIP Grant Match	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
Self-Funded	Advertising Revenue	\$ 600,000	\$ 968,000	\$ 997,040	\$ 1,026,951	\$ 1,057,760	\$ 1,089,493
Self-Funded	Other Operating Revenue	\$ 1,117,342	\$ 1,150,862	\$ 1,185,388	\$ 1,220,950	\$ 1,257,578	\$ 1,295,306
Self-Funded	Prior Year Surpluses and Interest	\$ 4,100,000	\$ 750,000	\$ 772,500	\$ 795,675	\$ 819,545	\$ 844,132
<b>TOTAL</b>	<b>TOTAL Baseline</b>	<b>\$ 94,642,582</b>	<b>\$ 93,582,480</b>	<b>\$ 98,984,369</b>	<b>\$ 110,385,474</b>	<b>\$ 113,651,649</b>	<b>\$ 92,153,257</b>
Self-Funded	From Reserves	\$ -	\$ 7,200,000	\$ 7,600,000	\$ 2,200,000		



# FORMULA VS DISCRETIONARY

- Formula programs have set formulas or scoring systems for distributions.
  - Federal Formulas are set by the 5-year transportation funding legislation
    - Primary sources for GRTC are 5307 and 5339 programs
  - State formulas are set by DRPT through TSDAC process
  - Formula funds can be reasonably predictable and reliable revenue sources
- Discretionary programs
  - Require special applications and often limited to specific capital investments or short-term demonstration of services
  - Some programs have strict statutory or regulatory requirements to be competitive.
  - For Federal, most discretionary programs are entirely for Capital
  - Various state discretionary grant programs have funded recent expansions:
    - Microtransit zone expansions
    - Route 1 extension to VCC
    - Route 1A extension to Chesterfield
    - Route 7A/B & 19 frequency improvements



# FEDERAL REVENUE

Federal	2026	2027	2028	2029	2030	2031
5307 Distribution (Prev Fed Fiscal Yr)	\$ 14,899,562	\$ 15,346,549	\$ 15,806,945	\$ 16,281,154	\$ 16,769,588	\$ 17,272,676
5307 Prior Years Unallocated	\$ 43,208,273	\$ 32,623,149	\$ 28,290,962	\$ 28,615,336	\$ 21,470,923	\$ 10,789,153
5307 Total Unallocated	\$ 58,107,835	\$ 47,969,698	\$ 44,097,907	\$ 44,896,490	\$ 38,240,512	\$ 28,061,829
5307 Allocated to Operating Budget	\$ 13,405,339	\$ 8,307,499	\$ 8,556,724	\$ 8,813,426	\$ 9,077,829	\$ 9,350,164
5307 Allocated to Capital Budget - Rev Veh Capital?	\$ 12,079,347	\$ 11,371,237	\$ 6,925,847	\$ 14,612,141	\$ 18,373,530	\$ 14,247,572
5307 Remaining Unallocated	\$ 32,623,149	\$ 28,290,962	\$ 28,615,336	\$ 21,470,923	\$ 10,789,153	\$ 4,464,093
5339 Distribution (Prev Fed Fiscal Yr)	\$ 1,281,184	\$ 1,319,620	\$ 1,359,208	\$ 1,399,984	\$ 1,441,984	\$ 1,485,243
5339 Prior Years Unallocated	\$ 2,672,630	\$ 3,953,814	\$ 1,810,958	\$ 12,166	\$ 617,208	\$ 309,392
5339 Total Unallocated	\$ 3,953,814	\$ 5,273,434	\$ 3,170,166	\$ 1,412,150	\$ 2,059,192	\$ 1,794,635
5339 Allocated to Capital Budget	\$ -	\$ 3,462,476	\$ 3,158,000	\$ 794,943	\$ 1,749,800	\$ 1,050,000
5307 Remaining Unallocated	\$ 3,953,814	\$ 1,810,958	\$ 12,166	\$ 617,208	\$ 309,392	\$ 744,635

# CVTA REVENUE

CVTA	2026	2027	2028	2029	2030	2031
Total CVTA	\$ 234,000,000	\$ 241,900,000	\$ 249,800,000	\$ 259,300,000	\$ 269,600,000	\$ 277,200,000
50% of CVTA for Regional Funding	\$ 81,900,000	\$ 84,700,000	\$ 87,400,000	\$ 90,800,000	\$ 94,400,000	\$ 97,000,000
<b>15% of CVTA for GRTC</b>	<b>\$ 35,100,000</b>	<b>\$ 36,300,000</b>	<b>\$ 37,500,000</b>	<b>\$ 38,900,000</b>	<b>\$ 40,400,000</b>	<b>\$ 41,600,000</b>
<b>Unallocated Reserve from Previous Year</b>	<b>\$ 58,095,874</b>	<b>\$ 62,832,347</b>	<b>\$ 57,832,347</b>	<b>\$ 47,832,347</b>	<b>\$ 24,332,347</b>	<b>\$ 332,347</b>
To GRTC Operating Revenues	\$ 28,410,527	\$ 39,288,410	\$ 45,428,062	\$ 60,265,904	\$ 62,201,881	\$ 39,335,938
To GRTC Capital Projects	\$ 1,953,000	\$ 2,011,590	\$ 2,071,938	\$ 2,134,096	\$ 2,198,119	\$ 2,264,062
To GRTC Special Studies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total CVTA Spent</b>	<b>\$ 30,363,527</b>	<b>\$ 41,300,000</b>	<b>\$ 47,500,000</b>	<b>\$ 62,400,000</b>	<b>\$ 64,400,000</b>	<b>\$ 41,600,000</b>
Reserve Contrib or Distrib	\$ 4,736,473	\$ (5,000,000)	\$ (10,000,000)	\$ (23,500,000)	\$ (24,000,000)	\$ -
<b>Cumulative Reserve</b>	<b>\$ 62,832,347</b>	<b>\$ 57,832,347</b>	<b>\$ 47,832,347</b>	<b>\$ 24,332,347</b>	<b>\$ 332,347</b>	<b>\$ 332,347</b>

# SPECIAL STATE GRANTS

Special State Grants	2026	2027	2028	2029	2030	2031
Grant 5007301 TRIP Regional Connectivity - 2023	\$ 312,221	\$ -	\$ -	\$ -	\$ -	\$ -
Grant 5007302 Regional Micortransit Service - 2024	\$ 1,143,238	\$ 785,024	\$ -	\$ -	\$ -	\$ -
Grant 7112406 DEMO Ashland & Powhatan - 2024	\$ 126,192	\$ -	\$ -	\$ -	\$ -	\$ -
Grant 39056 Ashland Microtransit (TRIP) - 2026	\$ 794,992	\$ 851,391	\$ 789,832	\$ -	\$ -	\$ -
Grant 39219 Annual IT Software Contracts Service	\$ 616,635	\$ -	\$ -	\$ -	\$ -	\$ -
Grant 39546 Public Safety Officers	\$ 731,760	\$ -	\$ -	\$ -	\$ -	\$ -
Grant 5006401 I64 E/WB Broad St / Short Pump (Route 19 VDOT)	\$ 1,419,178	\$ -	\$ -	\$ -	\$ -	\$ -
Grant 5006601 I64 Increase Bus Frequency Rt 7 Nine Mile Road (Routes 7a/7b VDOT)	\$ 1,500,000	\$ 1,500,000	\$ 750,000	\$ -	\$ -	\$ -
DRPT Grant 7112503 Route 1 Extension Demonstration	\$ 1,400,000	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -
Application 39471 Service Exp Route 1 FY26-28	\$ -	\$ -	\$ 994,537	\$ 745,902	\$ 372,951	\$ -

\*Route 1A – Chesterfield – awarded to Chesterfield (appears as locality revenue on slide 55)



# RESERVE FUND BALANCE

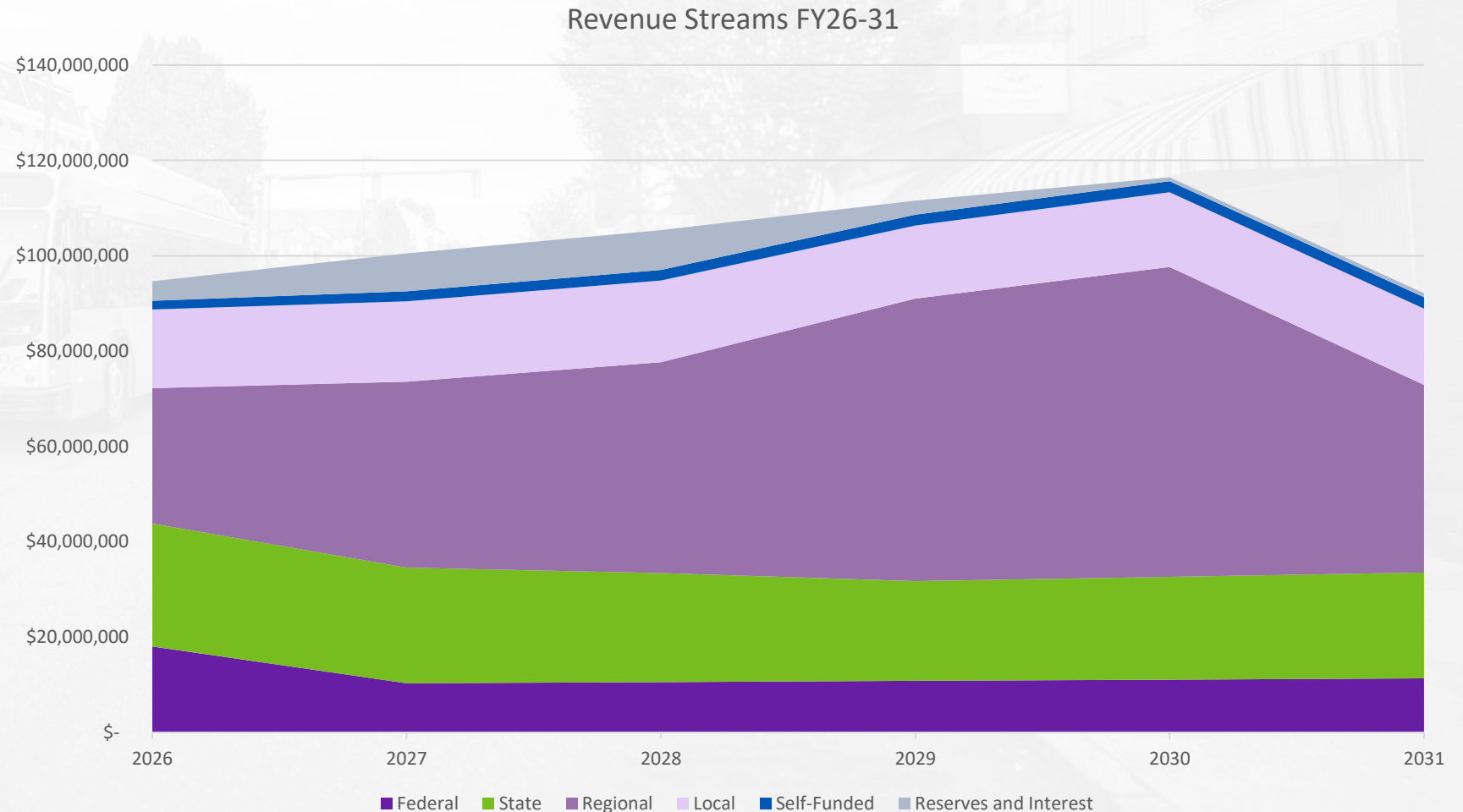
Prior Year Surpluses	2026	2027	2028	2029	2030	2031
Reserve Fund Balance	\$ 22,066,161	\$ 22,066,161	\$ 14,866,161	\$ 7,266,161	\$ 5,066,161	\$ 5,066,161
Applied to Operating Budget	\$ -	\$ 7,200,000	\$ 7,600,000	\$ 2,200,000	\$ -	\$ -
Applied to Capital Budget	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Remaining Reserve Fund Balance	\$ 22,066,161	\$ 14,866,161	\$ 7,266,161	\$ 5,066,161	\$ 5,066,161	\$ 5,066,161

# 5 YEAR REVENUE PROJECTION

		2026	2027	2028	2029	2030	2031
Operating Revenue							
Category							
Federal	Federal - 5307 PM Flex	\$ 11,961,212	\$ 6,820,048	\$ 7,024,650	\$ 7,235,389	\$ 7,452,451	\$ 7,676,025
Federal	Federal - 5307 ADA Flex	\$ 1,444,127	\$ 1,487,451	\$ 1,532,074	\$ 1,578,037	\$ 1,625,378	\$ 1,674,139
Federal	Federal Grants for IT Improvements	\$ 848,045					
Federal	Fed CMAQ Grant (Zero Fare)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Federal	ARPA Funding to Support State Grants	\$ 1,769,008	\$ -	\$ -	\$ -	\$ -	\$ -
State	VADRPT Formula Operating Contribution	\$ 19,149,752	\$ 19,724,245	\$ 20,315,972	\$ 20,925,451	\$ 21,553,215	\$ 22,199,811
State	VDOT Operating Grants	\$ 2,919,178	\$ 2,900,000	\$ 1,744,537	\$ -	\$ -	\$ -
State	Special State Operating Grants (TRIP & DEMO)	\$ 3,725,038	\$ 1,636,415	\$ 789,832	\$ -	\$ -	\$ -
Regional	CVTA Direct Funding to Operations	\$ 28,410,527	\$ 39,288,410	\$ 45,428,062	\$ 60,265,904	\$ 62,201,881	\$ 39,335,938
Local	City of Richmond	\$ 9,349,018	\$ 9,582,743	\$ 9,798,355	\$ 10,018,818	\$ 10,244,242	\$ 10,474,737
Local	County of Henrico	\$ 4,489,539	\$ 4,601,777	\$ 4,705,317	\$ 4,811,187	\$ 4,919,439	\$ 5,030,126
Local	County of Chesterfield	\$ 269,274	\$ 276,006	\$ 282,216	\$ 288,566	\$ 295,059	\$ 301,697
Local	County of Chesterfield TRIP Grant to Route 1a	\$ 2,190,522	\$ 2,190,522	\$ 2,196,245			
Local	Petersburg	\$ 200,000	\$ 206,000	\$ 212,180	\$ 218,545	\$ 225,102	\$ 231,855
Self-Funded	VCU TRIP Grant Match	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
Self-Funded	Advertising Revenue	\$ 600,000	\$ 968,000	\$ 997,040	\$ 1,026,951	\$ 1,057,760	\$ 1,089,493
Self-Funded	Other Operating Revenue	\$ 1,117,342	\$ 1,150,862	\$ 1,185,388	\$ 1,220,950	\$ 1,257,578	\$ 1,295,306
Self-Funded	Prior Year Surpluses and Interest	\$ 4,100,000	\$ 750,000	\$ 772,500	\$ 795,675	\$ 819,545	\$ 844,132
TOTAL	<b>TOTAL Baseline</b>	<b>\$ 94,642,582</b>	<b>\$ 93,582,480</b>	<b>\$ 98,984,369</b>	<b>\$ 110,385,474</b>	<b>\$ 113,651,649</b>	<b>\$ 92,153,257</b>
Self-Funded	From Reserves	\$ -	\$ 7,200,000	\$ 7,600,000	\$ 2,200,000		

# Revenues Forecast

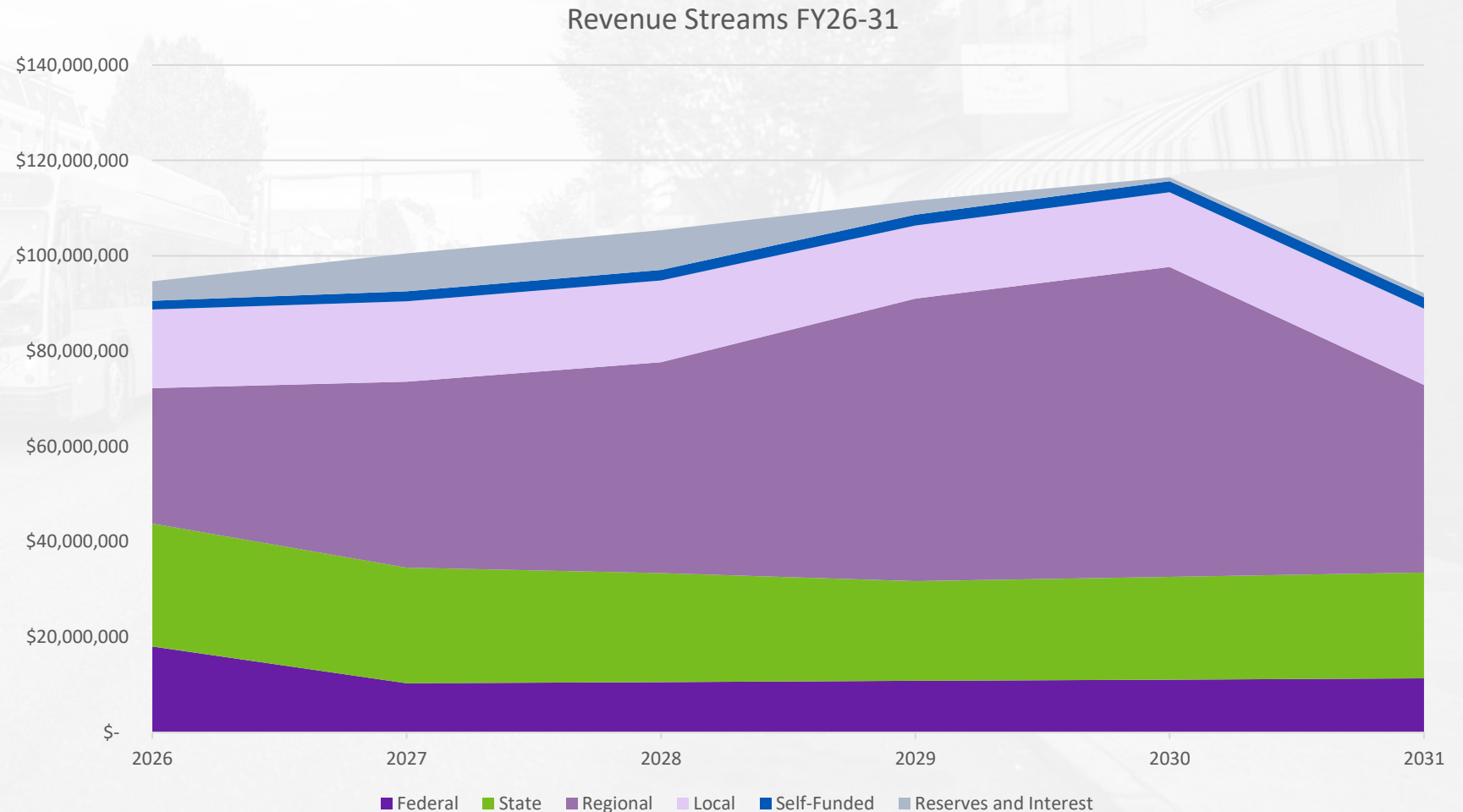
- Federal declines as PM Flex options are limited.
- State declines as short-term grants expire.
  - Recent service expansions on Routes 1, 1A, 7A/B are largely state funded
- Regional increases as CVTA reserve is spent down.





# Revenues Forecast

- Local declines once Route 1A grant expires then grows slower than expenses.
- Self-funded is minimal.
- Use of reserves grows and then declines as reserves are exhausted.



# SERVICE PRIORITIES

## Priority 1:

- Maintenance of Service
- Expansion
  - Western BRT – operating cost projection: \$500,000
  - N/S BRT – operating costing projection: \$7,000,000

## Additional regional expansion requests:

- Parham Orbital (Broad Street to Brook Road)
- Route 3 extension to Azalea Avenue (Carolina Ave)
- Additional microtransit
- Additional community college connections
- Additional hospital connections
- Additional express routes

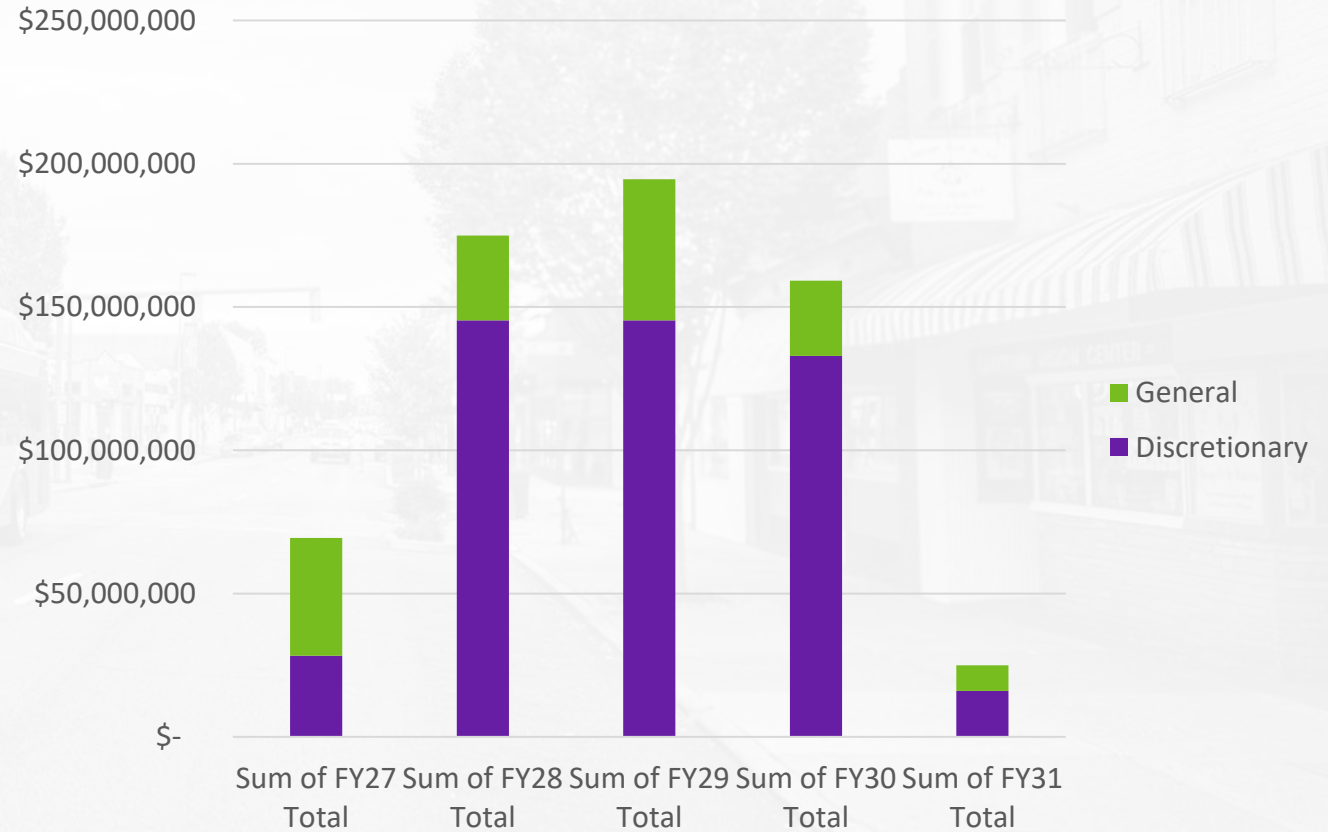
# CAPITAL PRIORITIES

- State of Good Repair/Improvements
  - Vehicle Replacements
  - IT Equipment
  - Facility Maintenance
  - Shelters, benches, and ADA (Essential Transit Infrastructure – ETI)

*(Fund strategy: 28 federal formula/68 state /4 CVTA)*

- Expansion
  - Western BRT N/S BRT
  - Downtown Transfer Hub

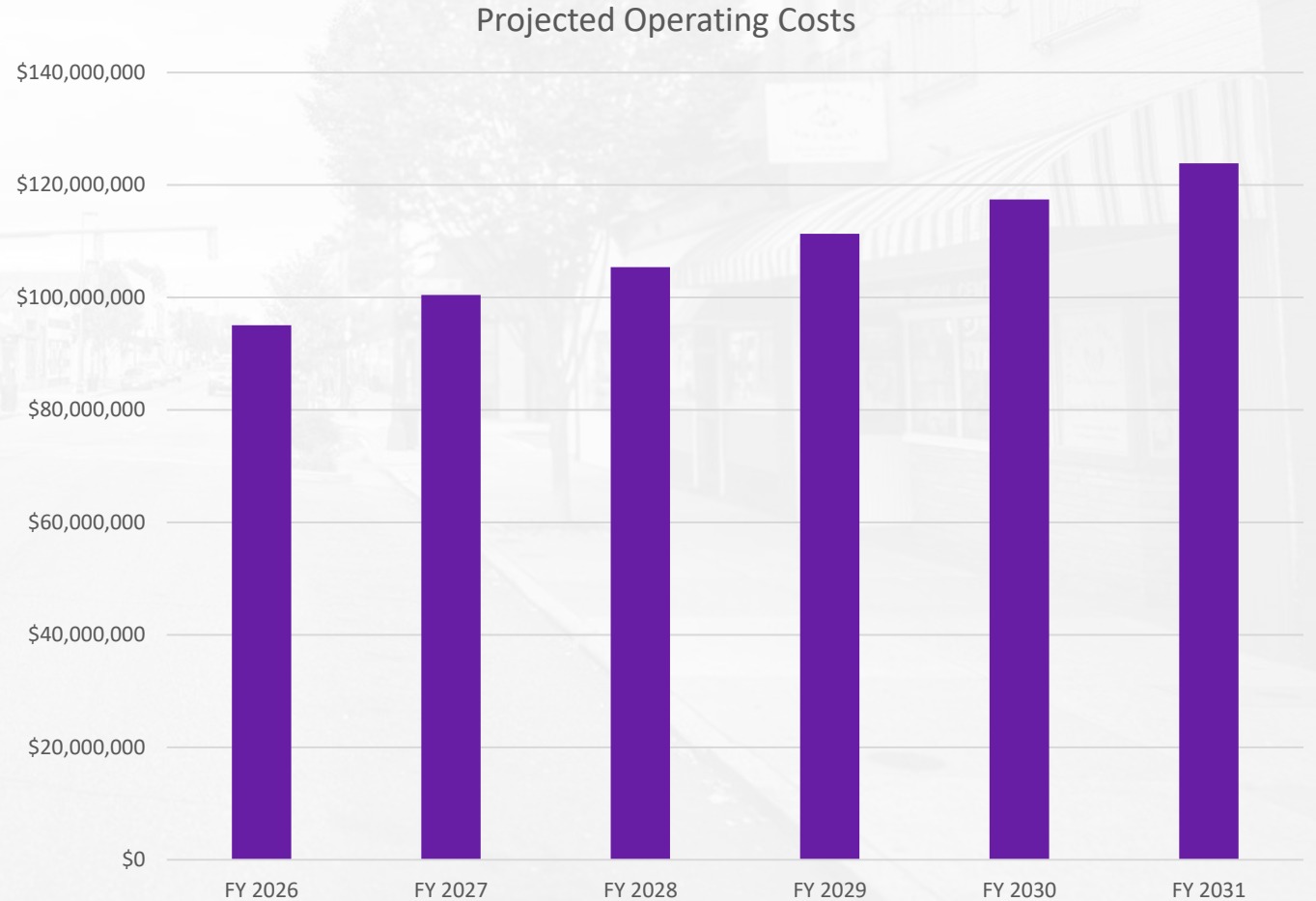
*(Fund strategy: discretionary - federal, state and regional CVTA)*





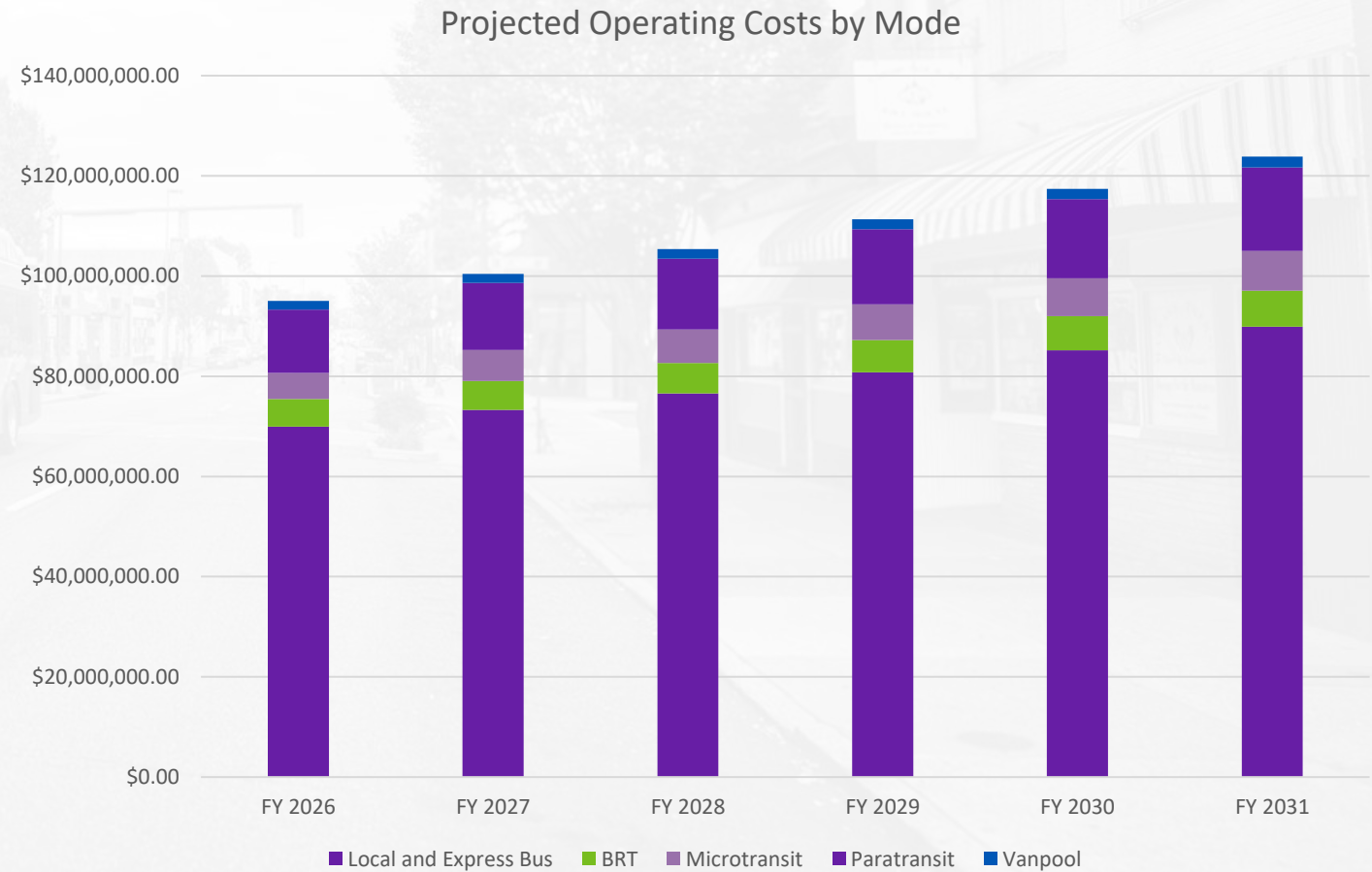
# Projected Operating Costs

- No expansion
- Presumes 5.4% annual cost growth per unit of service.



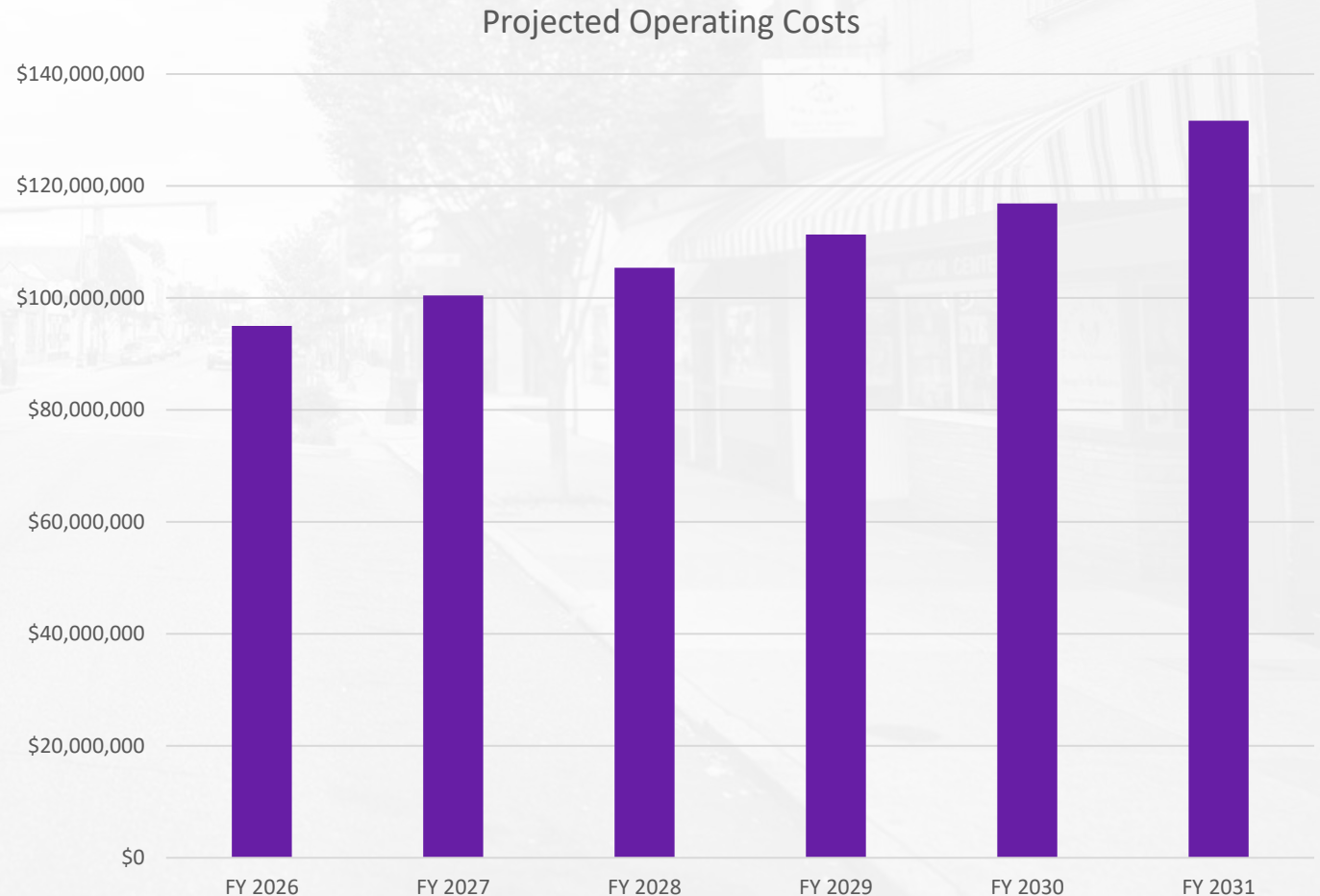
# Projected Operating Costs by Mode

- No expansion
- Presumes 5.4% annual cost growth per unit of service.



# Projected Operating Costs

- Presumes 5.4% annual cost growth per unit of service.
- Presumes additional services:
  - NS BRT
  - Western BRT Extension
- Presumes capital contributions for BRT are primarily from Federal and State discretionary programs.
- In 2031, baseline operating costs are \$131.7 million.





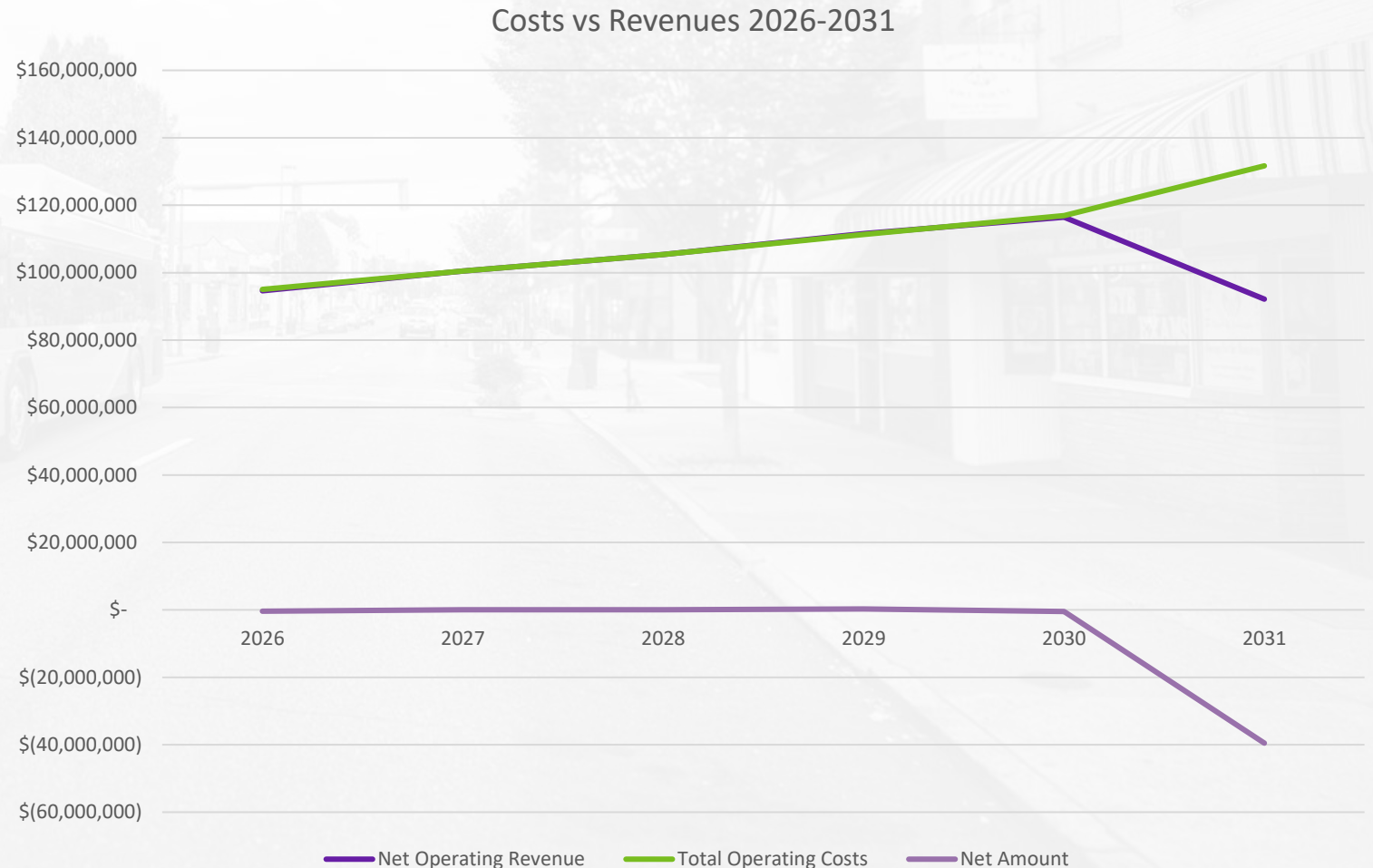
# Zero Fare

- Strategy
  - Continued Growth of Advertising Program
    - Fleet
    - Infotainment Screens
    - Benches
    - Shelters
    - DTS Sponsor
    - Pulse Sponsor
  - CMAQ Grant
    - Ridership Increase
      - GRTC Perception
  - Community Partnership (TAP)
    - PlanRVA Study
    - Community Foundation Partnership
    - Fundraising
  - GRTC
    - Earned interest/Surplus

Source	FY27	FY28	FY29	FY30	FY31
GRTC	\$ 1,600,000.00	\$ 1,600,000.00	\$ 800,000.00	\$ 800,000.00	\$ 800,000.00
Community Partners (TAP)	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00
Advertising	\$ 1,200,000.00	\$ 1,200,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00
Rider Incentive Program (CMAQ)	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00
	\$ 6,800,000.00	\$ 6,800,000.00	\$ 6,800,000.00	\$ 6,800,000.00	\$ 6,800,000.00

# Costs and Revenues Forecast

- Forecasts of Costs and Revenues show a major deficit starting in 2030.
- \$39.5 Million (30%) gap in 2031
- Maintaining this path requires
  - Spending down Prior Year Surpluses to only \$5 million
  - Spending down CVTA reserve entirely



# TNC Tax and Other Revenue Options

Revenue Source	Current Rate	Increment Evaluated	Low End Estimate (\$Millions per year)	High End Estimate (\$Millions per year)
TNC Tax	Not available, new source	6%	\$1.2	\$1.7
Vehicle Registration Fee	Varies \$30.75 - \$44.75/vehicle	\$1	\$0.9	\$1.2
Retail Sales & Use Tax	6.0% (Statewide +Local + CVTA 0.7%)	0.1%	\$24.6 (Full)	\$27.2 (Full)
Regional Fuel Tax	7.6 cents gasoline 7.7 cents diesel	0.1 cents	\$7.5 (Full)	\$8.3 (Full)





# Additional Revenue Options

Revenue Source	Current Rate	Increment Evaluated	Low End Estimate (\$Millions per year)	High End Estimate (\$Millions per year)
Driver's License Fee	\$32 initial, \$20 renewal	\$1.00	\$0.09	\$0.11
Vehicle Sales Tax	4.15%	0.1%	\$3.6	\$4.4
Transient Occupancy Tax	8%	1%	\$3.6	\$4.4

# TNC Tax and Other Revenue Options

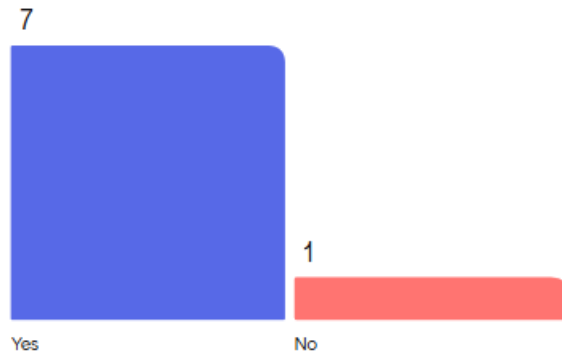
Revenue Source	Current Rate	Increment Evaluated	Low End Estimate (\$Millions per year)	High End Estimate (\$Millions per year)
TNC Tax	Not available, new source	6%	\$1.2	\$1.7
Grantor's Tax	\$0.10 per \$100	\$0.20 per \$100	\$10.3	\$12.6
Retail Sales & Use Tax	6.0% (Statewide +Local + CVTA 0.7%)	0.1%	\$24.6 (Full)	\$27.2 (Full)
Regional Fuel Tax	7.6 cents gasoline 7.7 cents diesel	0.1 cents	\$7.5 (Full)	\$8.3 (Full)



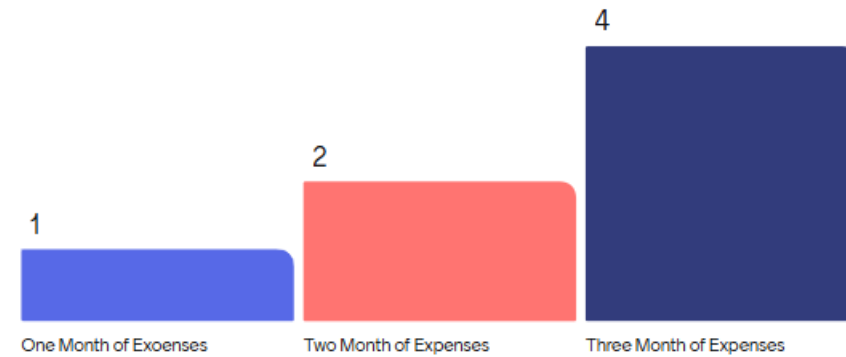
# Policy Discussion



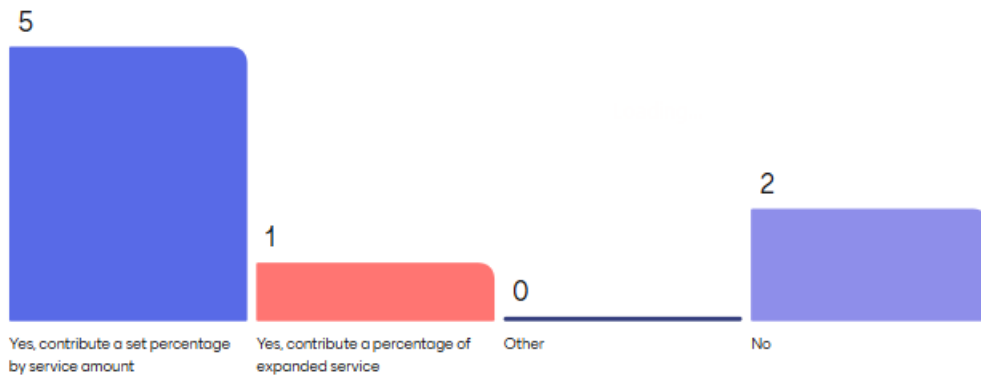
Should the CVTA dollars be used to support all services (Regional Pot)?



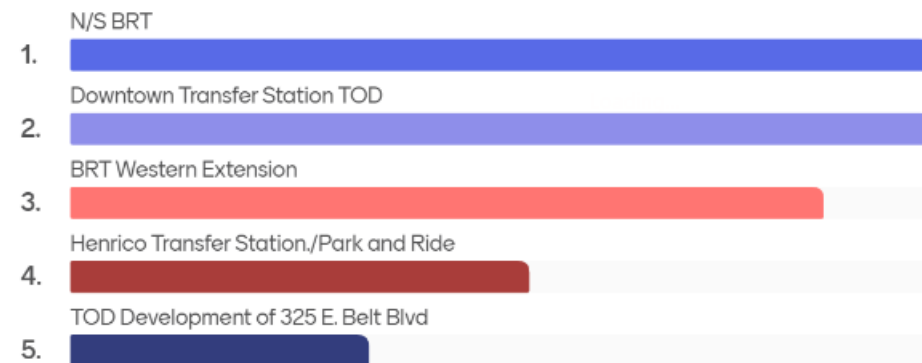
What Should be the Minimum Reserve Amount of CVTA Funding?



Should local jurisdictions contribute more to fill the gap?



Rank Major Capital Projects



# How Would the Board Like to Proceed?

- Explore revenue options to expand revenues to meet cost increases?
  - Added regional revenue sources
    - If GRTC received 30% of CVTA funds, instead of 15%, likely fills the gap
    - Could GRTC tap some of the CVTA regional pot for operations
    - Other new tax sources (e.g. 0.1% sales tax just for GRTC)
  - Require local contributions for new or expanded services since 2020 (like new Microtransit Zones, 1 and 1A expansions)
  - Require local contributions for discretionary programs like CARE Plus
- Explore CARE Plus changes or elimination to reduce costs?
  - CARE Plus is completely discretionary program with lower-than-average productivity and higher-than-average cost per rider than standard CARE Paratransit service. Only about \$1.3 million in costs.
- Explore fixed route service reduction options to reduce costs?
  - Relying entirely on fixed route service reductions would likely require a 30% cut.
- Limit or eliminate planned service expansions to minimize cost increases?
  - Would delay the potential financial cliff.