



Loudoun County

VIRGINIA

WHERE TRADITION MEETS INNOVATION

FY 2024 Budget Development: Local Tax Funding Support for Transit Services

**Finance/Government Operations and
Economic Development Committee
December 13, 2022**

Purpose

- Update on Local Tax Funding Support for the Transit Services Program
- Waiver of Revenue Neutrality Policy for Commuter Bus Service through FY 2024
- Further discussion on ridership, subsidies, and fare policies during 2023 and 2024 Transit Summits

Changes Impacting Transit Programming

- COVID-19 reduced ridership on public transit

Average Daily Transit Ridership Levels (Monday – Friday)

Service Type	Pre-Pandemic Ridership	August 2020	September 2022	Ridership Pre-COVID %
Commuter Bus Service	3,960	147	918	23%
Local Fixed Routes	1,045	867	1,028	98%
Transit Service to Metrorail Stations	1,806	67	258	14%
Paratransit Service	60	25	47	78%

- Silver Line Phase 2 opened on November 15, 2022
- Added 21 routes connecting the Metrorail Stations

FY 2019 Actuals Comparison to FY 2024 Projected

	FY 2019 Actuals	FY 2023 Adopted	FY 2024 Projected
Expenditures			
Transit Contract	\$14,726,161	\$18,599,705	\$18,091,430
Fuel	1,667,049	958,862	3,187,379
All Other Expenditures	3,498,418	3,846,207	2,666,693
Total - Expenditures	\$19,891,628	\$23,404,774	\$23,945,502

	FY 2019 Actuals	FY 2023 Adopted	FY 2024 Projected
Revenues			
Fares	\$9,406,245	\$1,177,832	\$2,531,152
State Operating Assistance	3,230,147	4,001,622	2,763,519
Advertising	105,829	50,000	50,000
Other Grants	488,084	495,987	469,001
All Other Revenues	1,397,111	1,022,083	976,159
Gasoline Tax	0	4,228,306	0
TRIP Grant (4 routes)	0	0	2,068,802
Total - Revenues	\$14,627,416	\$10,975,830	\$8,858,633
Local Tax Funding	\$5,264,212	\$12,428,944	\$15,086,869

Commuter Bus

- Currently operating 49 routes with an average of 918 daily riders
- Pre-Covid operated 119 routes with an average of 3,960 daily riders
- Fares for each ride are \$10.00 SmarTrip, \$11.00 for cash
- Revenue Neutrality Policy requires that all costs be recovered through fare and advertising revenue. This policy has been waived through FY 2023



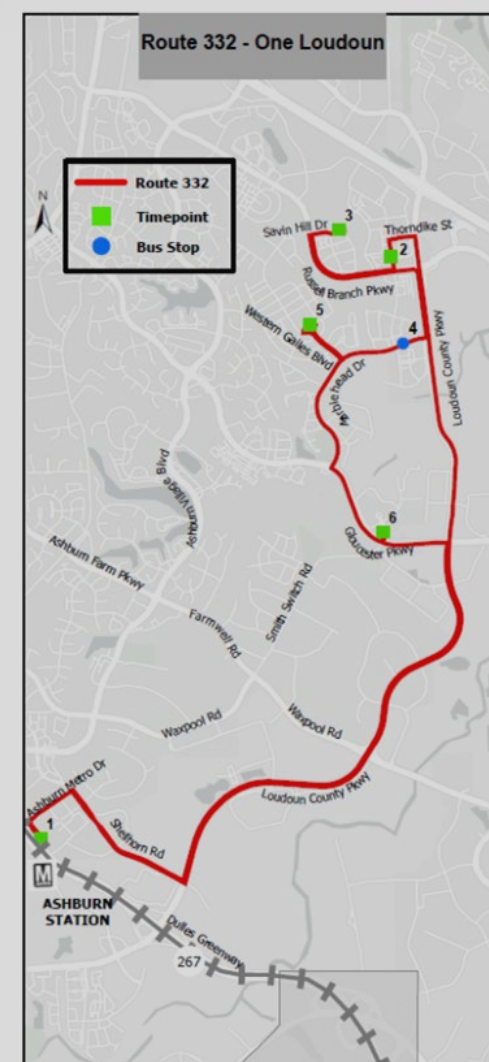
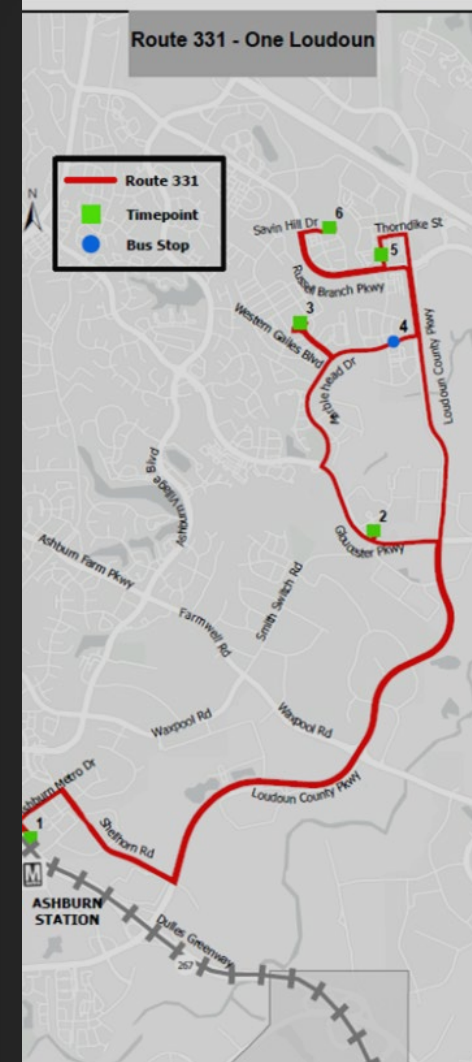
Commuter Bus (continued)

- To reach revenue neutrality, staff estimate each trip would require a \$21 fare
- Continued suspension of the revenue neutral fare policy requires \$5.1 million of Local Tax Funding (LTF) to support this service, a decrease of \$2.8 million from FY 2023



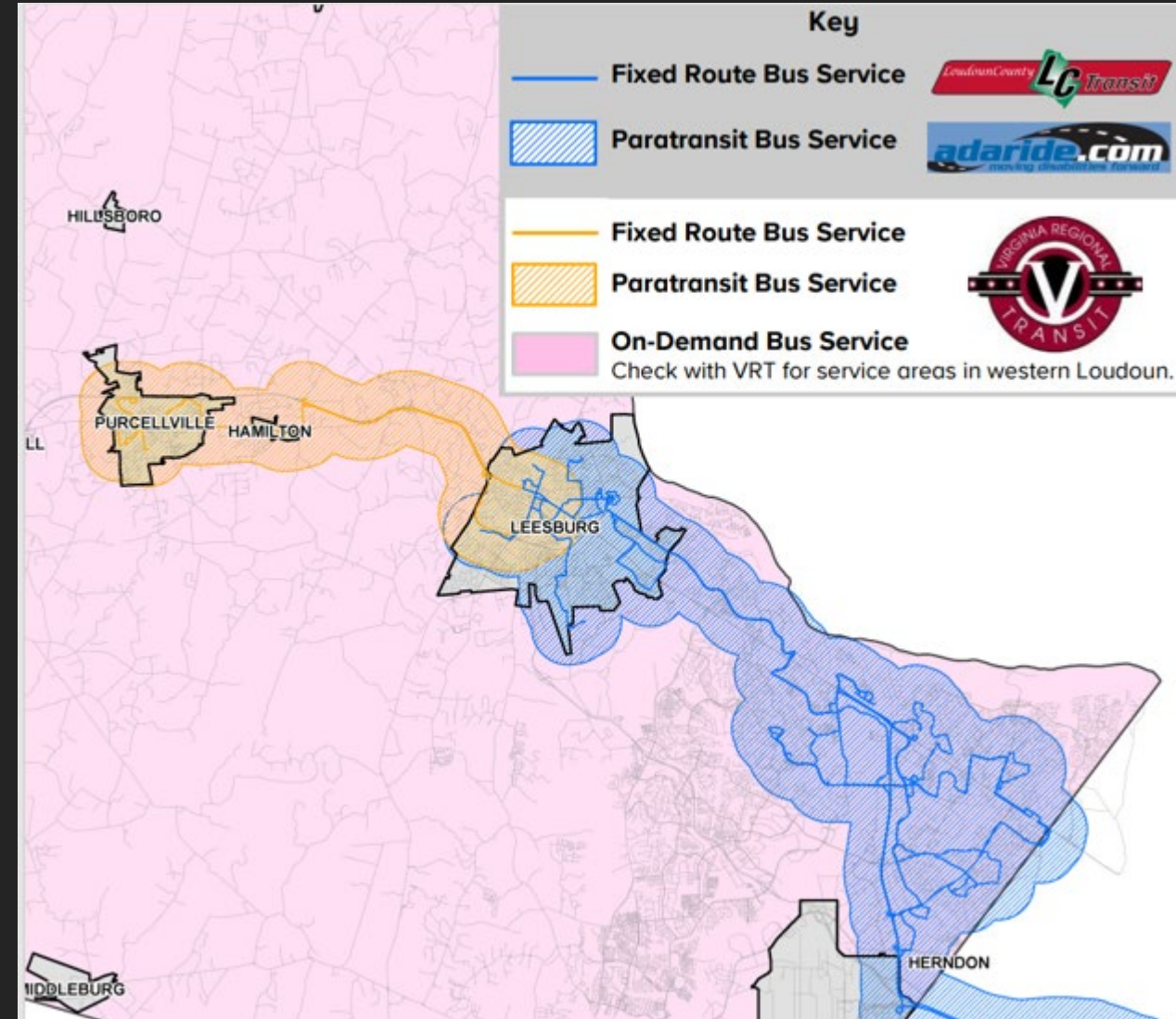
Local Fixed Route Service

- Ridership is comparable to pre-pandemic at 1,018 riders per day
- 21 new routes are connecting to the Silver Line Metrorail Stations
- Fares are \$1.00 per trip
- Reduced State Operating Assistance
- \$11 million of LTF to support this service— partially due to new routes
- Transit Ridership Incentive Program (TRIP) Grant reduced the amount of LTF needed by \$2.1 million



Paratransit Services

- Currently operating at 78% of pre-Covid status
- \$2.00 fare (SmarTrip or cash)
- Recent ridership patterns indicate a growth in the use of this service
- Funding sources include fares, state operating assistance, and LTF



Summary

- Recommend no fare changes at this time
- Prepare ridership data and subsidy discussions for upcoming Transit Summits
- Continue to evaluate grants to offset reliance on LTF
- TRIP grant provides \$2.1 million in funding for FY 2024 and \$7.25 million over the next five years
- Projecting \$15.1 million of LTF to fully fund the transit budget in FY 2024, an increase of \$2.7 million from FY 2023