



# STUDY SESSION

Joint Study Session of  
Valley Metro RPTA and Valley Metro Rail

Date:  
August 29, 2019

Starting Time  
10:00 a.m.

Location:  
Valley Metro  
Lake Powell Conference Room (10A)  
101 N. 1<sup>st</sup> Avenue, 10<sup>th</sup> Floor  
Phoenix

**If you require assistance accessing the meetings on the 10<sup>th</sup> floor, please go to the 14<sup>th</sup> floor or call 602.262.7433.**



# Study Session Notice & Agenda

August 22, 2019

**Joint Study Session Agenda  
Valley Metro RPTA and Valley Metro Rail  
Thursday, August 29, 2019  
Lake Powell Conference Room  
101 N. 1st Avenue, 10<sup>th</sup> Floor  
10:00 a.m.**

Study sessions provide a less formal setting for the Boards of Directors to discuss specific topics, at length, with each other and Valley Metro staff members. Work study sessions provide an opportunity for staff to receive direction from the Boards and for the public to observe the discussions.

1. Valley Metro Budget Development Process

Paul Hodgins, Chief Financial Officer, will provide an overview of the FY21 Budget Development process.

Qualified sign language interpreters are available with 72 hours notice. Materials in alternative formats (large print, audiocassette, or computer diskette) are available upon request. For further information, please call Valley Metro at 602-262-7433 or TTY at 602-251-2039. To attend this meeting via teleconference, contact the receptionist at 602-262-7433 for the dial-in-information. The supporting information for this agenda can be found on our web site at [www.valleymetro.org](http://www.valleymetro.org).



# Study Session Background

**DATE**

August 22, 2019

**STUDY SESSION ITEM 1****SUBJECT**

Valley Metro Budget Development Process

**BACKGROUND | DISCUSSION**

The Boards of Directors requested a study session regarding the budget development process. Since that request, we have reviewed our process internally and with your city staff who are members of the Financial Working Group (FWG), and with the Audit and Finance Subcommittee (AFS). Based on those discussions, we have adjusted our process, which we will present to the Board for comment and discussion.

This budget study session will also include an overview of the timeline and opportunities for input and adjustments and a discussion of the delivery date for the budgets.

**CONTACT**

Paul Hodgins  
Chief Financial Officer  
[phodgins@valleymetro.org](mailto:phodgins@valleymetro.org)

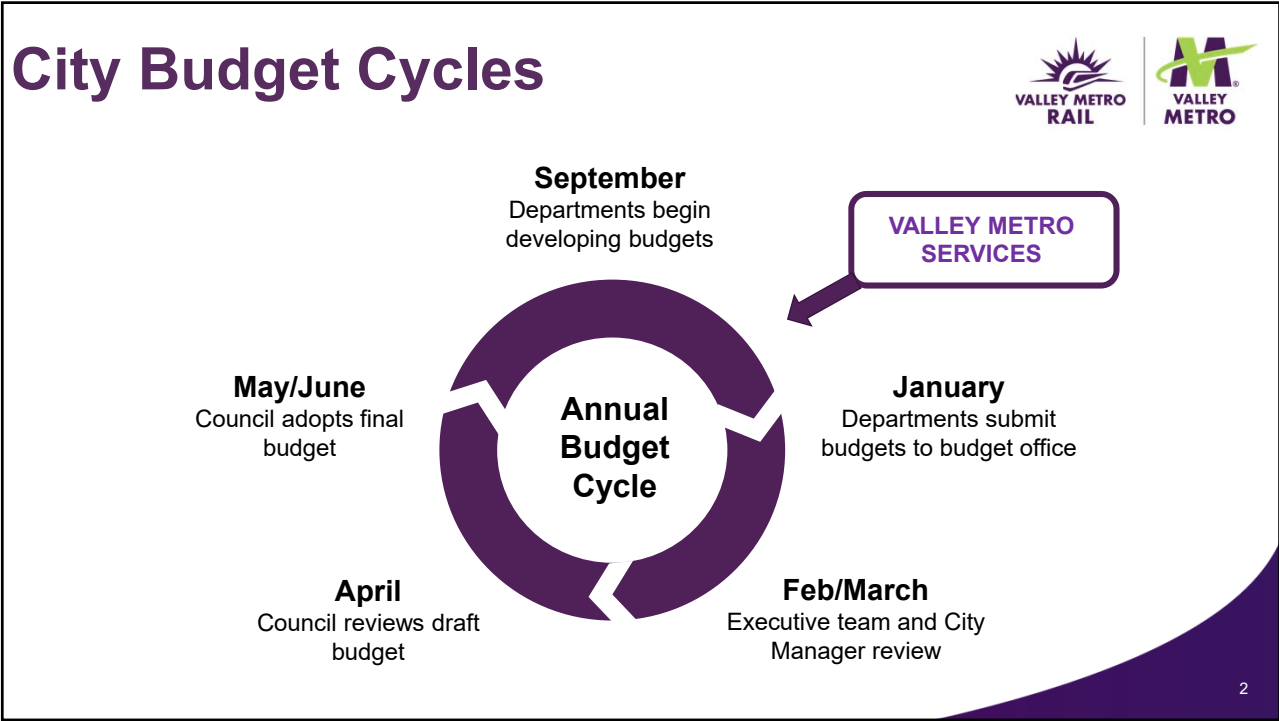
**ATTACHMENT**

Presentation

# Budget Development Timeline



1



## FY21 Deliverables



### • Preliminary Operations Budgets

- Bus
  - Paratransit
  - Light Rail
  - Streetcar
- } Transit Services Only



### • Annual Budgets

### • 5-Year Plans

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## Purpose of Preliminary



### • Define Inputs/Assumptions

- Planned service
  - Miles, boardings, fare revenues
- Operations & Maintenance Staffing
- Strategic Initiatives
- Contingency



### • Goals

- Provide “not-to-exceed” amount
- Fit within your budget process

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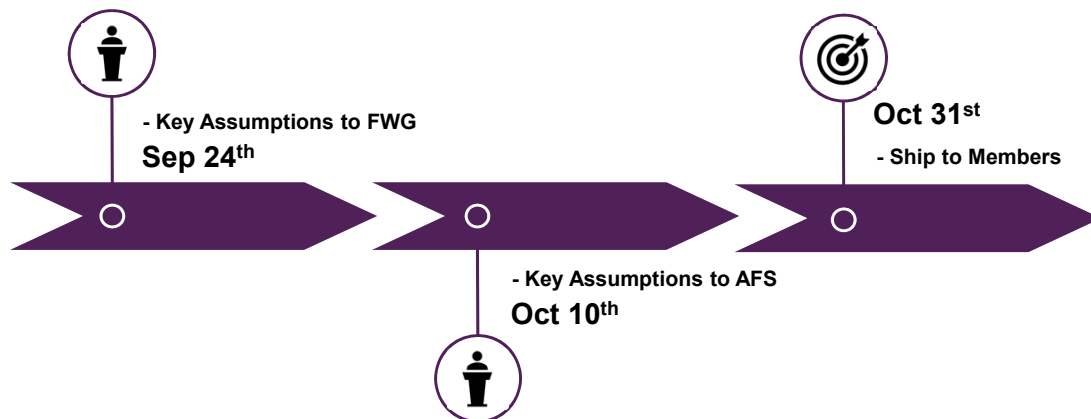
# Transit Service Funding



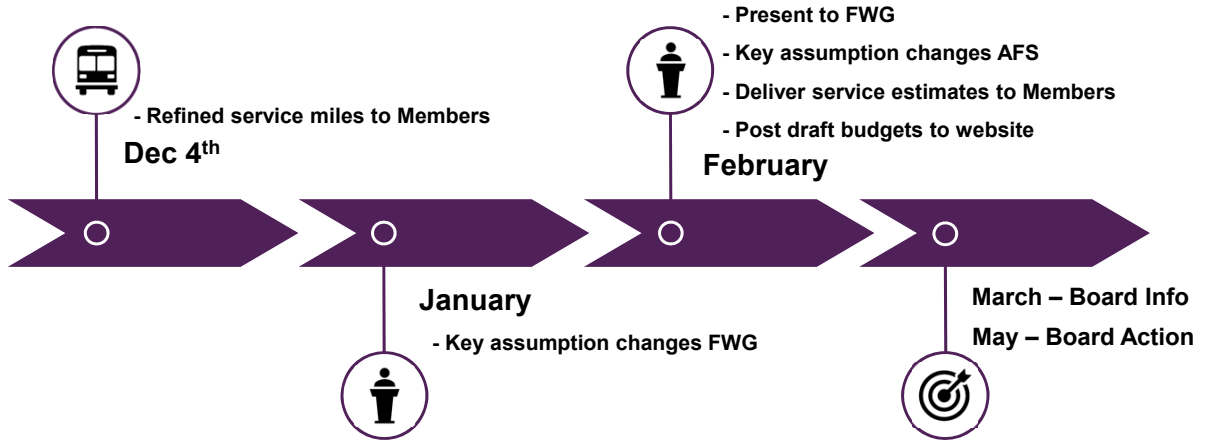
**66%** of operating budget is for locally funded transit service

FY20 Budget (in Millions)	Fixed			Total	%
	Route Bus	Paratransit	Light Rail		
City Local Contributions	\$ 38.8	\$ 9.6	\$ 40.4	\$ 88.8	50%
Public Transportation Funds	42.6	13.2	-	55.8	31%
Fares, Fed, Adv.	17.8	0.7	14.6	33.1	19%
<b>Total</b>	<b>\$ 99.2</b>	<b>\$ 23.5</b>	<b>\$ 55.0</b>	<b>\$ 177.8</b>	

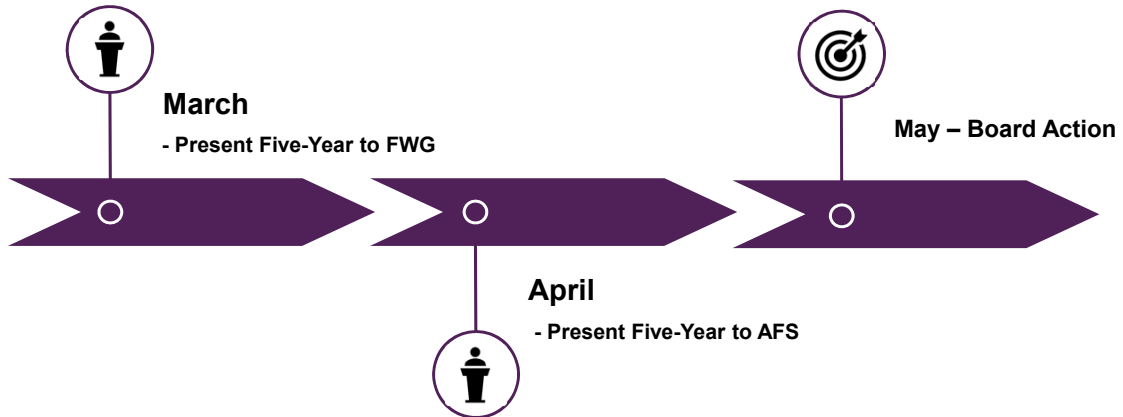
# FY21 Preliminary Operations Budgets



# FY21 Operating and Capital Budgets



# Five Year Plan (FY21-24) Operating and Capital Budgets



## Recap of Important Dates

### Committee / Boards

Aug 29, 2019	Board Study Session
Oct 10, 2019	Present Key Assumptions to AFS
February	Discuss Changes to Key Assumptions with AFS
March	Present Annual Budgets for Information
April	Present 5 Year Plans to AFS
May	Present Annual Budget and 5-Year Plans for Action



## Questions? Discussion?

