



# PSTA Revised Financial Forecasts

Finance and Performance Management

And Planning Committees

January 21, 2015

# Spring 2015 Decision-making

- February 18 Facilitated Board Workshop
- Monthly PSTA Committees
- FY2016 Budget Draft by June, 2015
- Possible Joint MPO/BOCC/PSTA Meeting
- State Legislative Session/Fed Reauthorization
- Additional Workshops?

# February 18 Workshop

- 1-on-1 Pre-Interviews
- **Goal:** Identification & Discussion of all board members' points of view on path forward.
- No scheduled additional workshops but may be helpful.

# Today

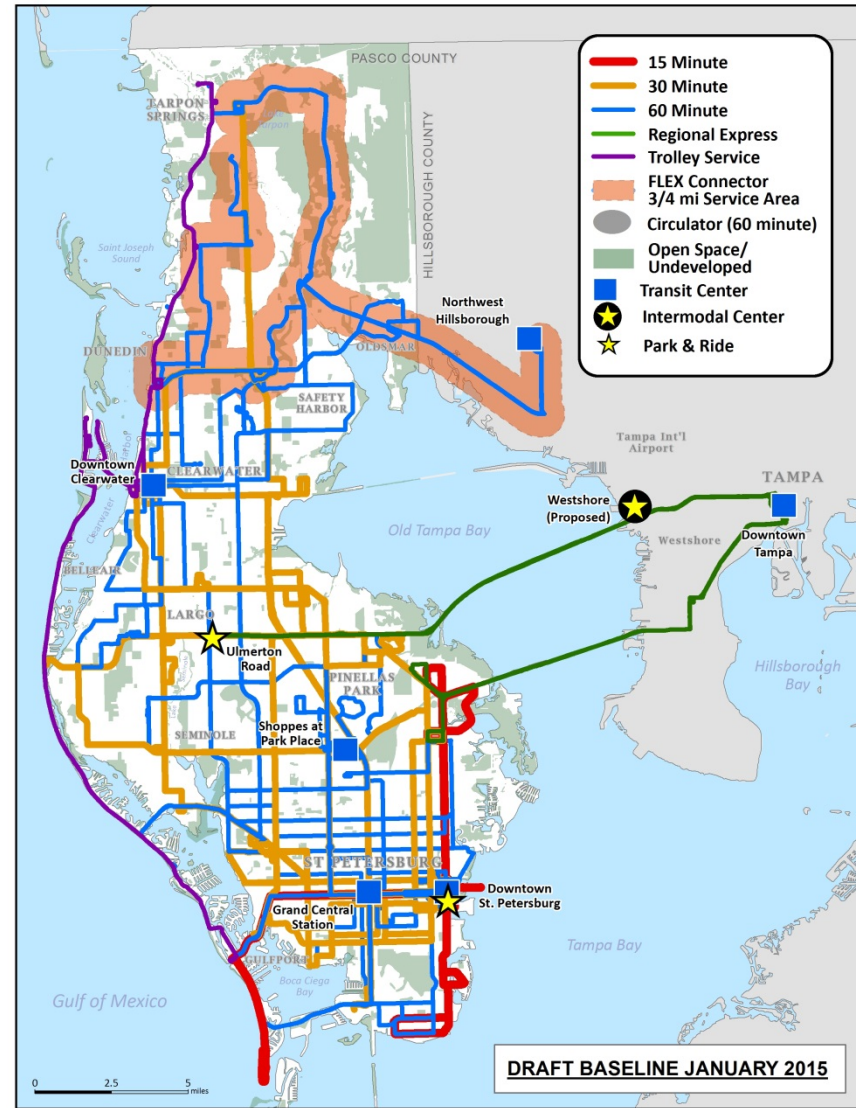
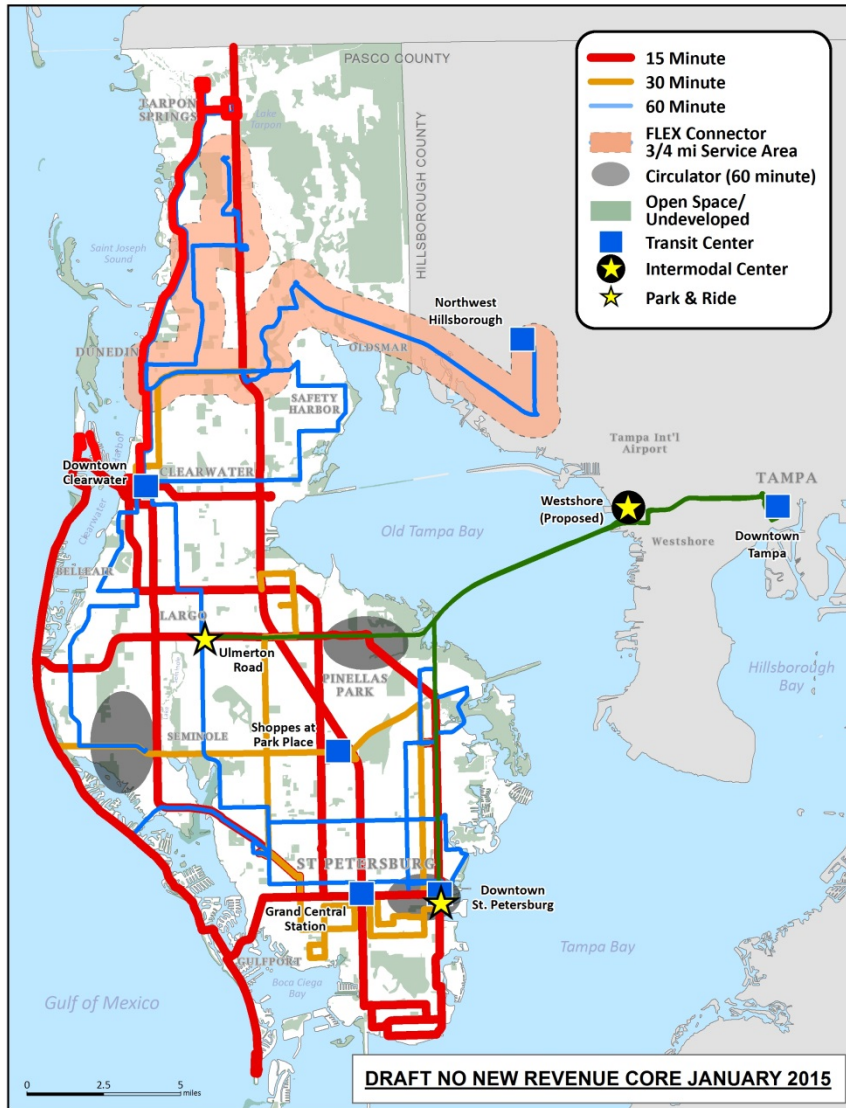
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- Present PSTA Financial Forecast
- Refresh Memory of “No New Revenue Scenario”
- Identify Upcoming Board Decisions

# Financial Outlook Summary

- Adopted No New Revenue Scenario
  - Concentrates Service on Higher Ridership Corridors.
  - Streamlines Routes/Eliminates Unproductive Loops to get people to their destination faster.
  - Higher Ridership = More Fare Revenue – more resources for service.
- Converting to “NNRS” without policy changes requires at least **25%** overall service reduction.

# No New Revenue Scenario Map vs Current



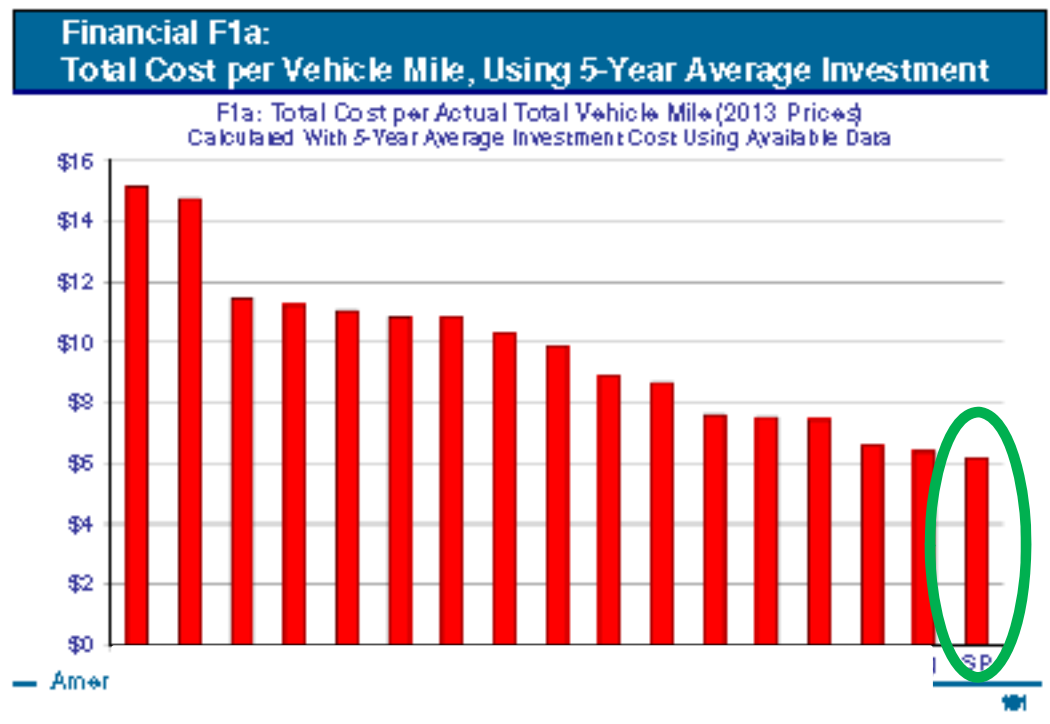
# No New Rev. Scenario Cuts Most Services

Routes 40 to 28	Current Frequency	Core Frequency	Core Span
<b>St. Petersburg</b>			
Central Ave.	15/30	15/ <b>60</b>	<b>Reduced</b>
49 <sup>th</sup> St.	20	20	<b>Reduced</b>
22 <sup>nd</sup> Ave./30 <sup>th</sup> Ave.N	60	<b>Eliminated</b>	<b>Eliminated</b>
<b>Mid-County</b>			
Park Blvd. Pinellas Park	30/60	30/60	<b>Reduced</b>
113 <sup>th</sup> Ave. (SPC Seminole)		<b>Eliminated</b>	<b>Eliminated</b>
Gulf to Bay Clearwater	20/30	<b>15/60</b>	<b>Reduced</b>
<b>North County</b>			
Main Street Dunedin	30/60	30/60	<b>Reduced</b>
US 19	20/60	20/60	<b>Reduced</b>
Safety Harbor/Oldsmar	60	60/No Wknd	<b>Reduced</b>

# Non-Service Related Reductions Challenging

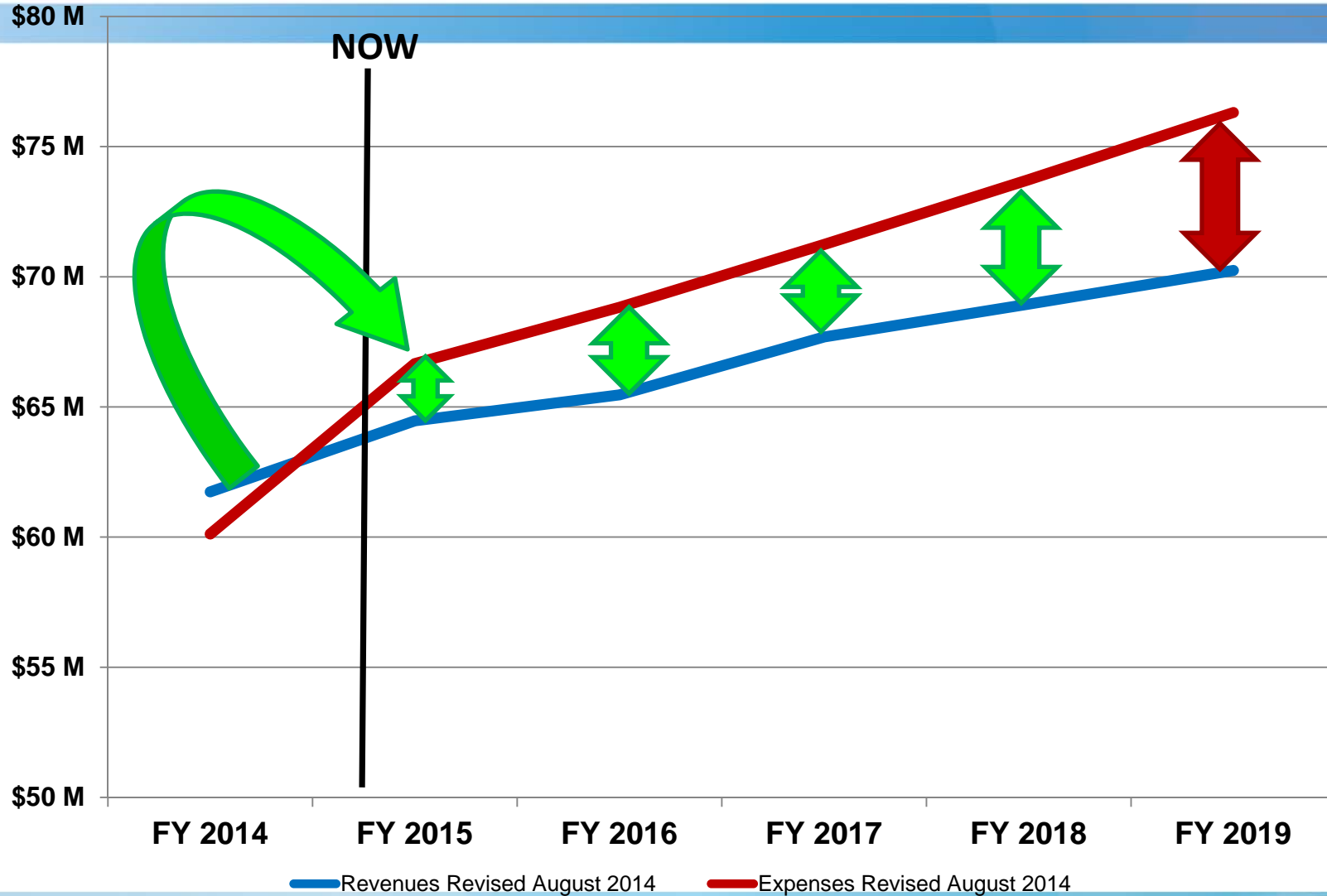
- Administrative Cuts
  - Previous studies already show lean administration
  - McCollom 2013, KPMG 2014, ABBG 2014
  - Staff generated concepts
  - Looking for \$75K-100K

## PSTA's Only "Best in Class" Indicator is Cost

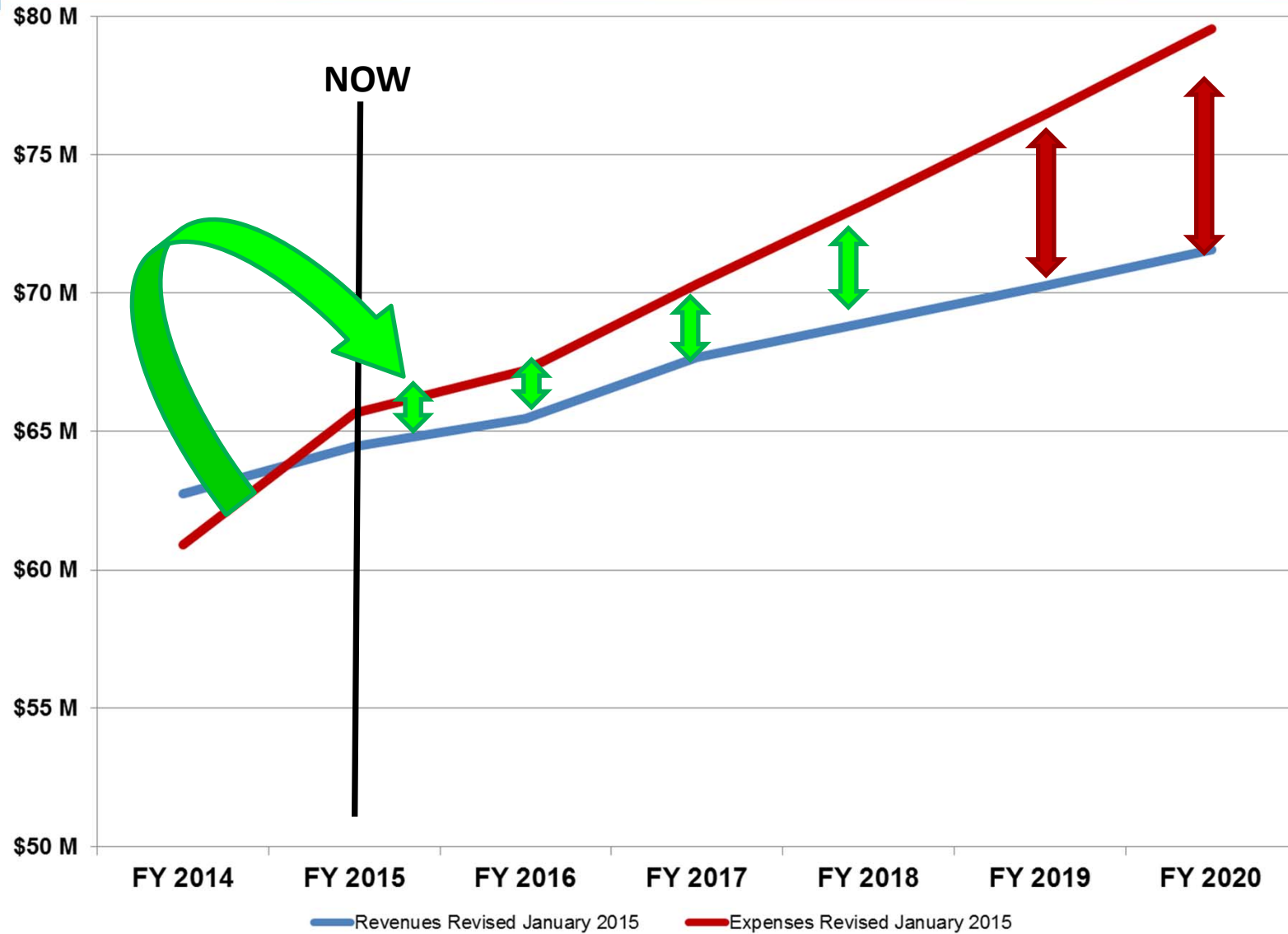




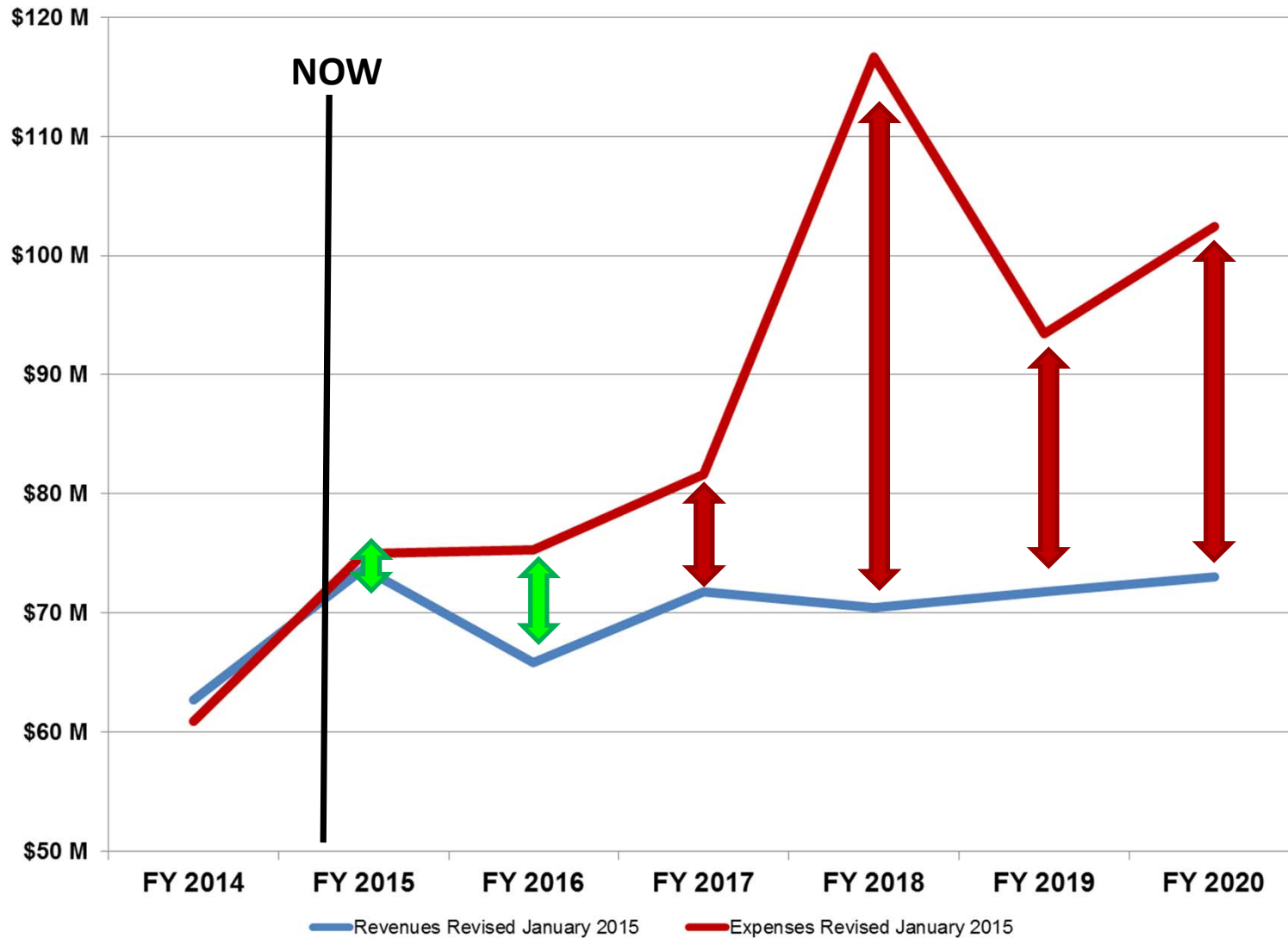
# August 2014 Operating Budget Plan



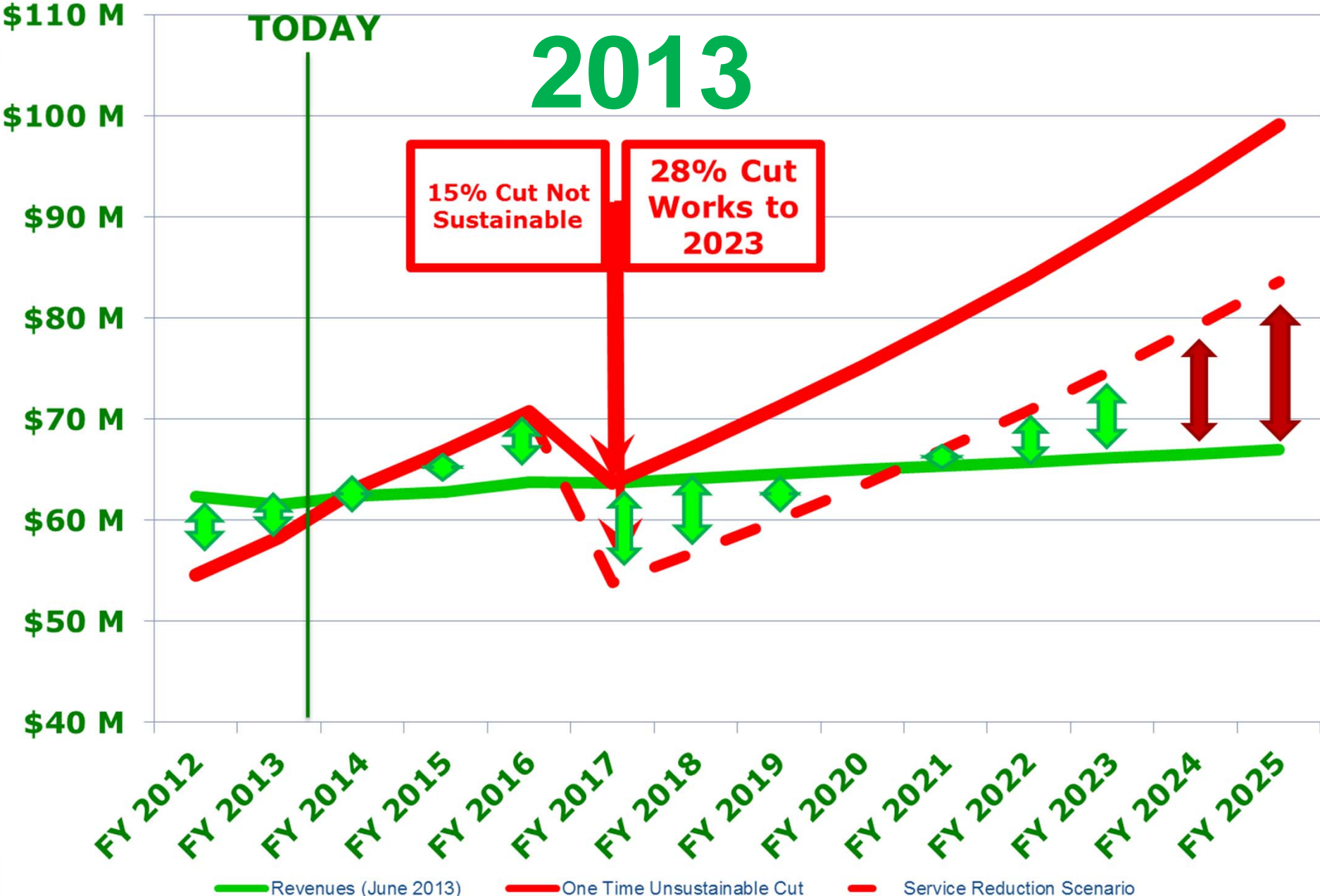
# January 2015 Operating Budget Forecast



# 1/15 Forecast Operating & Capital



# PSTA's Balanced Budget Plan



# Bus Replacement Funding

- No Policy Changes Requires \$40M+ in 3 Years.

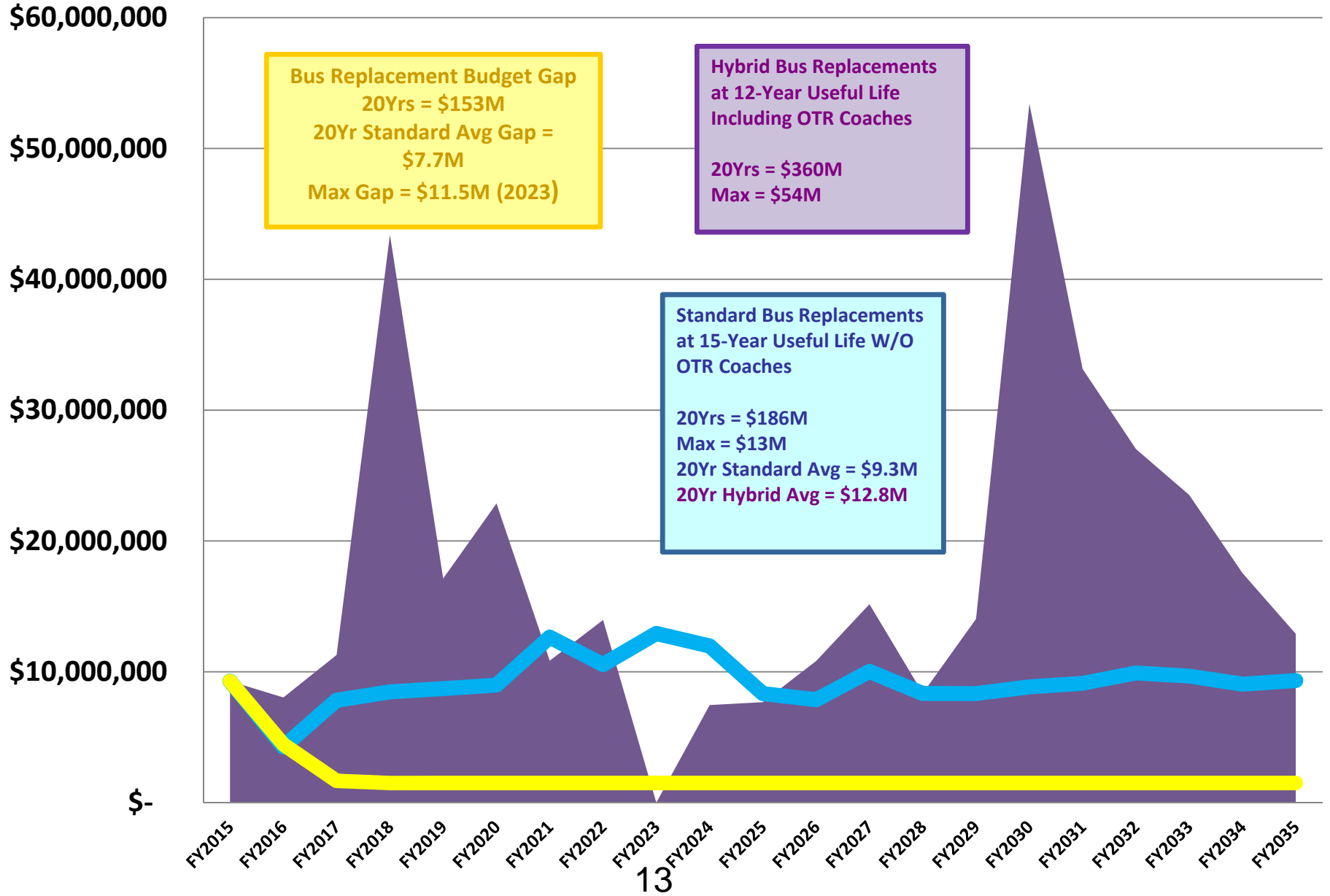
## Policy Recommendations

1. “Smooth” Out Replacements to Consistent Annual Quantities.
2. Extend Useful Life on Some Buses to 15 Years.
3. Contract Out Express Services/Don’t Replace Coaches.
4. Discontinue Hybrid-Electric Bus Purchases.
5. Use 100% of Capital Grant Contingencies for buses.

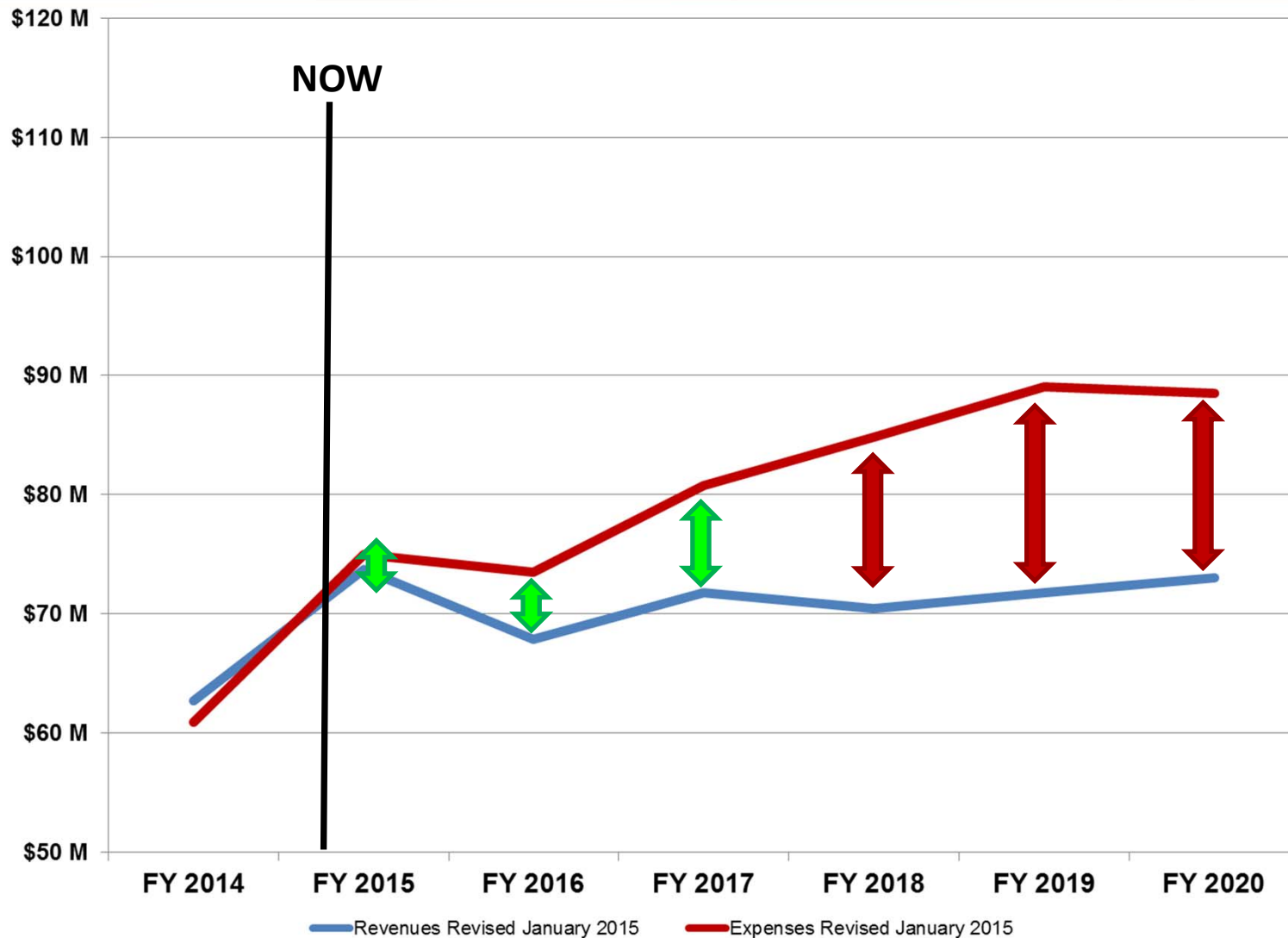
Reduces Cost from \$40M to \$8M Annually

# Long-Term PSTA Bus Fleet Management Plan

■ Replacement Cost to Meet Useful Life    
 — "15-Year Useful Live Smoothed"    
 — Adopted CIP



# 1/2015 Forecast With Capital Policy Changes



# Additional Ways to Maintain Base Service

1. Maximize PSTA Property Tax
2. Contract out & Increase Bus Advertising
3. Fare Increase Plan
4. Admin Cost Reductions
5. Seeking MPO-Allocated Fed STP Funds or Other for Bus Replacements.
6. Advocate for Bus Funding at Federal Level



# Incremental Approach

- Identify Ways to Move to Core Network without overall unsustainable cut.
- Implement Route Performance Monitoring Process
- Look for Ways to Fund BRT/Community Plan Incrementally to get to a Network:
  - Clearwater Beach to Airport BRT
  - Central Ave. BRT
  - I-275 Express Lanes
  - Nights/Weekends/Frequency Improvements