



COLORADO

Department of Transportation

Transit Agency Financial Survey Results July 2020



Purpose of this Agenda Item

1. Understand impacts of COVID-19 on transit agencies' needs / challenges
2. Understand funding / financial dimensions of those challenges
3. Assess CARES Act Phase 1 funding response to those challenges
4. Assess ability of agencies to apply for capital call (CCCP) funding
5. Ultimately, adjust funding availability to meet needs / challenges



Transit Survey

- Survey “on the street” 6/17/2020 - 6/24/2020
- Survey Content:
 - Biggest challenges in 2020 and 2021
 - 2020 Revenues & Expenditures: pre-COVID budget vs post-COVID estimates
 - Agency opinion on three possible ways of dealing with budget reductions:
 - Equal parts operating and capital
 - Sacrifice capital to keep operating
 - Sacrifice operating to keep capital
 - Feedback on Phase 1 CARES Act Distribution
 - Feedback on Capital Call



CDOT Survey: Transit Agency Financial Needs

CDOT would like to understand perspectives from local transit providers on your reactions or plans dealing with the impacts of COVID-19 and the outlook for ongoing operations. We are seeking advice on your current and anticipated financial situation in order to appropriately provide support through existing funding sources and additional emergency funds, such as the second phase funding under the CARES Act.



2021 Consolidated Capital Call for Projects (CCCP)

DRAFT Schedule

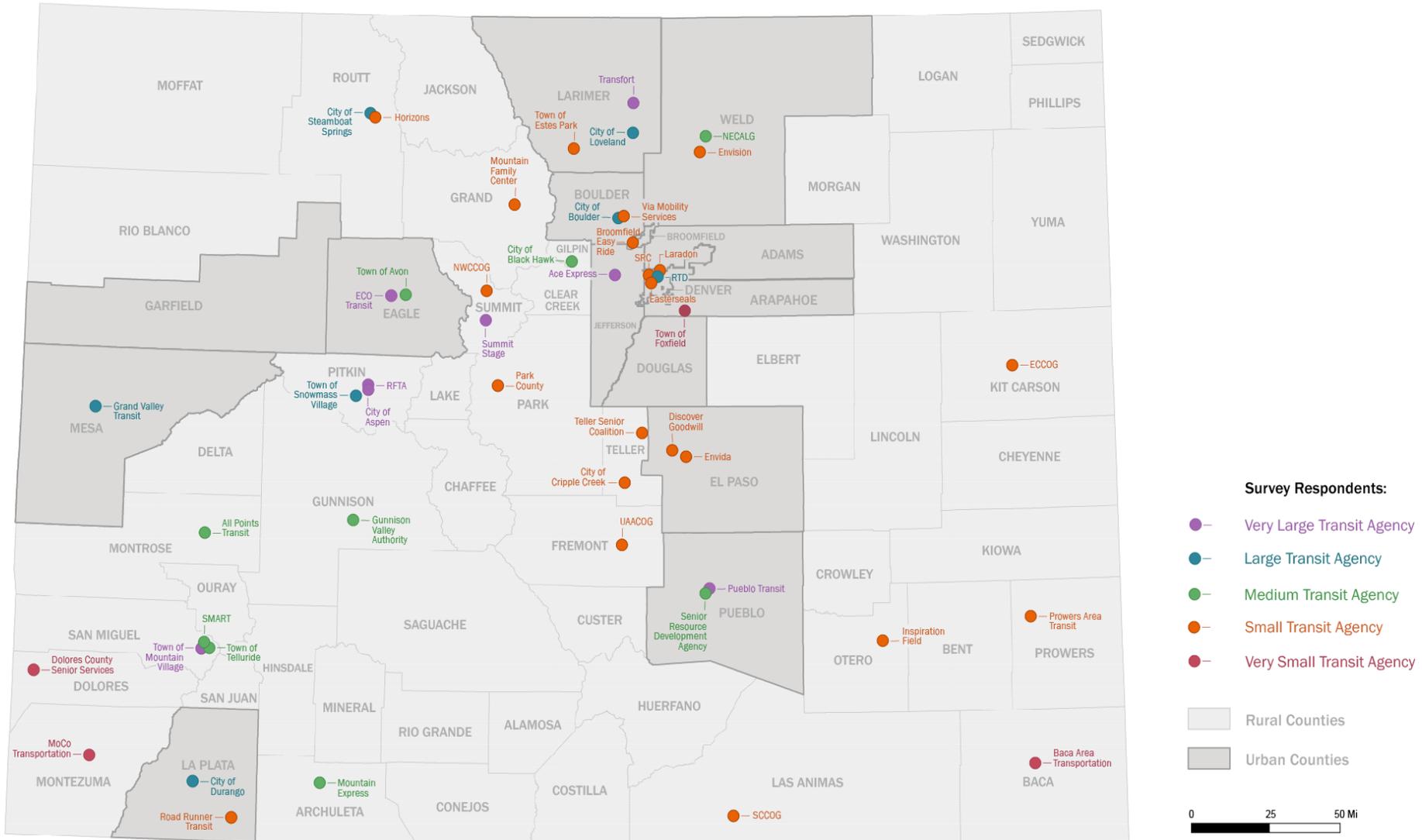
- August release the call-for projects
- September / early October receive the applications
- December have projects selected
- January 2021 begin contracting the projects
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- Next capital call opportunity: April 2021 “Super Call,” integrating all calls (A&O, Planning, and Capital into one

Funding Source	Pre-COVID Amount to be Released in the CCCP	Post-COVID Amount to be Released in the CCCP
Federal “Rural” Transit Funds from 5310, 5311, 5339 Programs	\$6 Million	?
State FASTER Funds & SB 228 Funds for Local Purposes	\$10 Million	?
Settlement Funds for Electric Buses	\$5 Million	?
Total All Programs	\$21 Million	?

**Recommendations
On Later Slide**



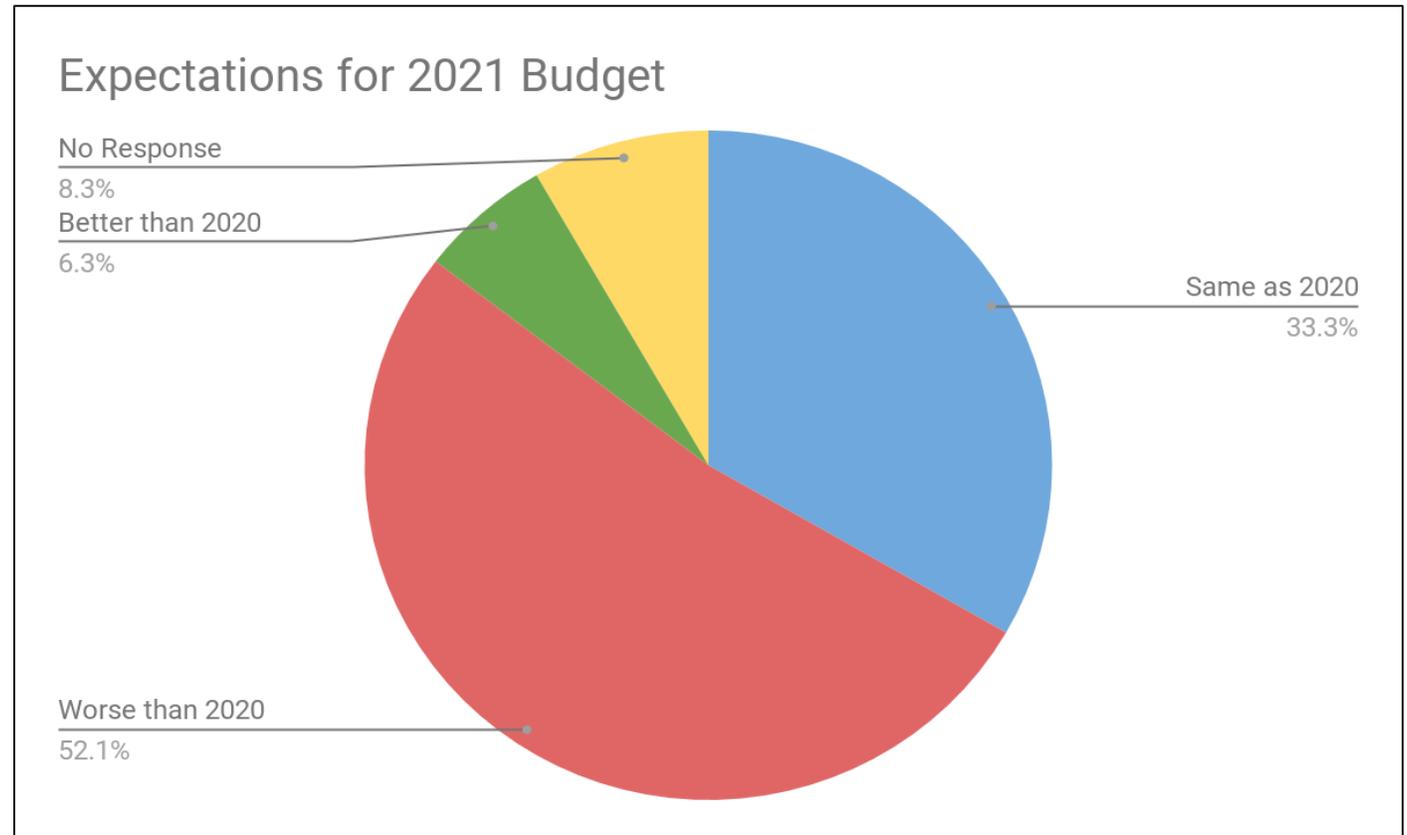
Financial Survey Respondents





2021 Budget Expectations

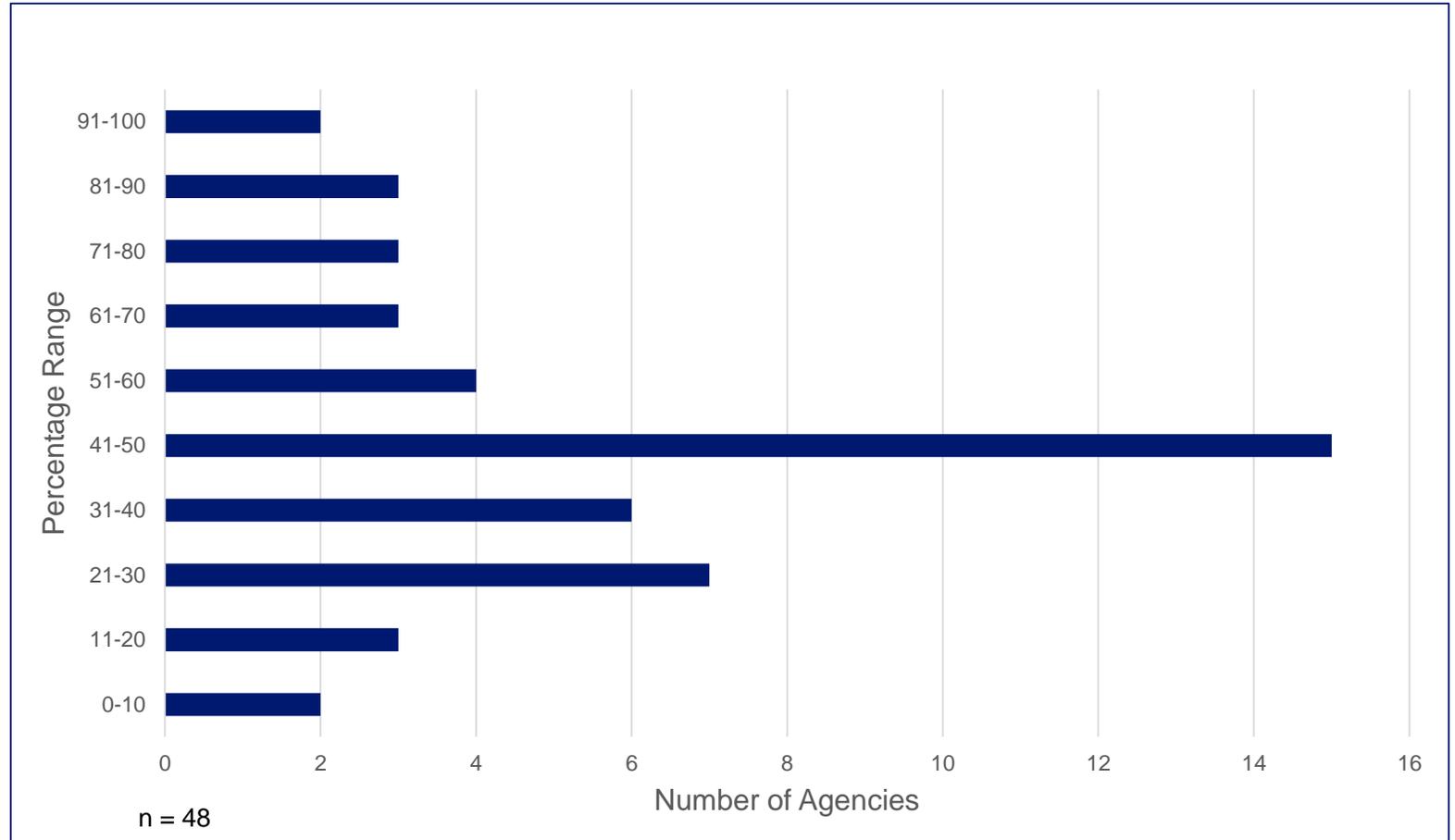
- CARES Act is providing \$30 Million in relief for 2020.
- Expect, based on this slide, that an additional amount of admin & operating funds will be needed in 2021.





2020 Ridership Loss Expectations

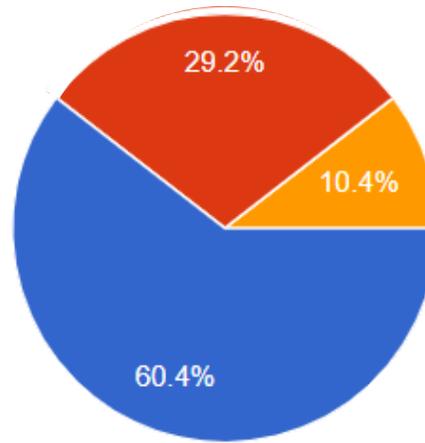
Estimated Loss in Ridership in 2020	Agencies
81% or more	5 (10%)
61 - 80%	6 (13%)
41 - 60%	19 (40%)
21-40%	13 (27%)
20% or less	5 (10%)



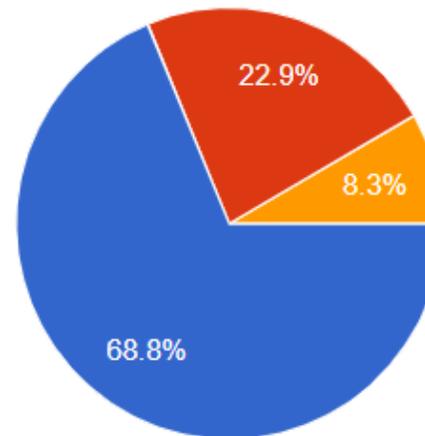


Operating vs. Capital Balancing Act

- 40% of transit agencies will make difficult to very difficult financial decisions in 2020
- Capital expenditures are 2 to 3 times more likely to be cut than operating expenses, in the short term.
- However, many agencies cannot completely defer or cut capital maintenance & replacements.



- Will finish 2020 without significant layoffs or furloughs (<5% reduction in force or staff hours)
- Will finish 2020 having made difficult decisions (5-20% reduction in force or staff hours)
- Will finish 2020 having made extremely difficult decisions (>20% reduction in force or staff hours)



- Will need to maintain my agency's current balance between admin & operating (A&O) and capital spending.
- Will need to sacrifice or defer capital spending (vehicles, etc) and spend more on admin & operating (A&O),
- Will need to sacrifice or reduce admin & operating (A&O) to take care of pressing capital needs.



2021 Consolidated Capital Call for Projects (CCCP)

Recommendations

- Settlement funds are not flexible, so release \$5 M as scheduled
- Finish A&O awards in July
- Expectation is that A&O need will be higher in 2021
- Therefore, reduce both Federal and FASTER some to create more A&O funding

Funding Source	Pre-COVID Amount to be Released in the CCCP	Post-COVID Amount to be Released in the CCCP
Federal “Rural” Transit Funds from 5310, 5311, 5339 Programs	\$6 Million	\$6 - \$16 Million
State FASTER Funds & SB 228 Funds for Local Purposes	\$10 Million	
Settlement Funds for Electric Buses	\$5 Million	\$5 Million
Total All Programs	\$21 Million	\$11 - \$21 Million



August

- Special TRAC meeting & input Friday, August 14th
- Transportation Commission workshop input Wednesday, August 19th
- Release Consolidated Capital Call for Projects by August 31st