

TARC BOARD OF DIRECTORS MEETING



Special Meeting Notice:

Pursuant to KRS 61.823, the TARC Board of Directors will hold a special meeting to consider TARC's budget for Fiscal Year 2025. This special meeting will be held at:

**TARC's Headquarters, Board Room
1000 W. Broadway, Louisville, KY 40203**

Monday, April 15, 2024 at 1:00 p.m.

This meeting is also being held via teleconference as permitted by KRS 61.826.

Members of the public and/or TARC staff may watch a livestream of the meeting by going to www.facebook.com/ridetarc; the livestream will be at the top of the page; No Facebook account is needed. Public comments may be submitted in the chat feature, please include your name in the chat.

Pursuant to the Americans with Disabilities Act, persons with a disability may request a reasonable accommodation for assistance with the meeting or meeting materials. Please contact Stephanie Isaacs at 502.561.5103. Requests made as early as possible will allow time to arrange accommodation.

TARC BOARD OF DIRECTORS MEETING

Agenda – April 15, 2024



1. Quorum Call/Call to Order

Ted Smith 1:00

2. Action Items

A. Consideration of Proposed FY25 Budget

Tonya Carter 1:05 -2:25

3. Adjournment

Ted Smith 2:30



**FY2025 DRAFT BUDGET
BOARD REVIEW**

April 15, 2024



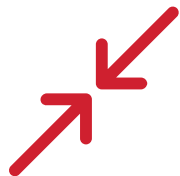
BIG PICTURE



At current spending rates, TARC will hit its fiscal cliff within months of July 1, 2026.



TARC has a plan for a financially sustainable network redesign and TARC has begun conversations to identify new revenue sources.

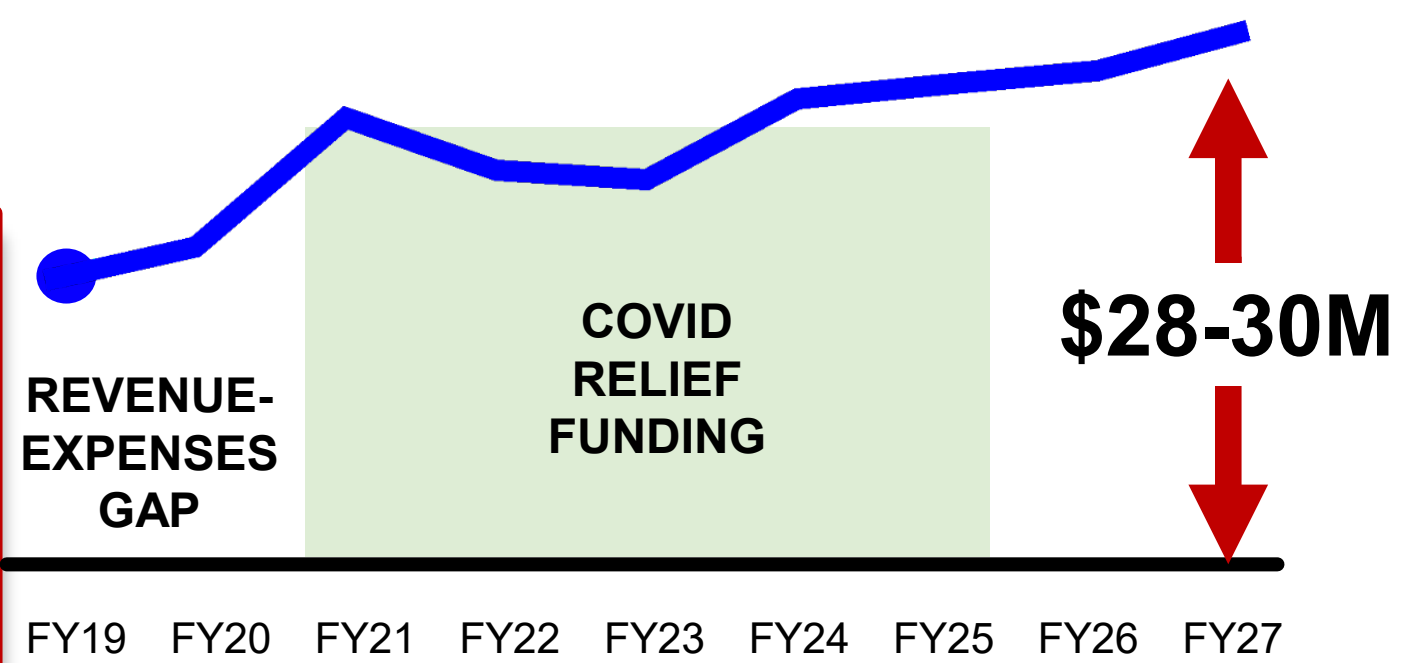


Those strategies take time. To avoid the fiscal cliff, service reductions are needed in FY 2025—with cost savings emerging by the end of FY 2026.



\$28M - \$30M OPERATIONAL BUDGET DEFICIT BY JULY 1, 2026

- Budget deficit has grown over the last decade
- Federal pandemic funding kept TARC afloat, but expires FY 2025
- \$28M - \$30M deficit in FY 2027
- Without changes, TARC will hit the fiscal cliff around July 1, 2026



A COMMON PROBLEM: THE NATIONAL PUBLIC TRANSIT 'FISCAL CLIFF'



City Transit Systems Begin to Peer Over the Fiscal Cliff

BART and other transit agencies are budgeting the last of their pandemic-era federal relief and looking ahead to big, ongoing deficits. Solutions are still hard to find.

Feb. 28, 2023 • Jared Brey

Impending 'Fiscal Cliff' Could Doom DC Transit's Dramatic Improvement Efforts

Without additional funding, the region's transit agency could be forced to cut service. However, the agency has improved service in the past year.

Bloomberg Commuters Ditched Public Transit for Work From Home. Now There's a Crisis

- Without help, agencies warn of higher fares, service cuts
- Top transit systems see total \$6.6 billion shortfall by 2026



American Planning Association

On the Edge of a Fiscal Cliff: Transit Agencies Seek Solutions Post-COVID

Big-city transit struggles amid mounting budget pressures, lost ridership, and changing customer expectations while smaller systems are leading through innovation.

Boston – \$404 Million in 2026
Chicago – \$730 Million in 2026
New York City – \$2.5 Billion in 2025
Philadelphia – \$269 Million in 2027
Los Angeles – \$400 Million in 2025
Washington, DC – \$185 Million in 2024



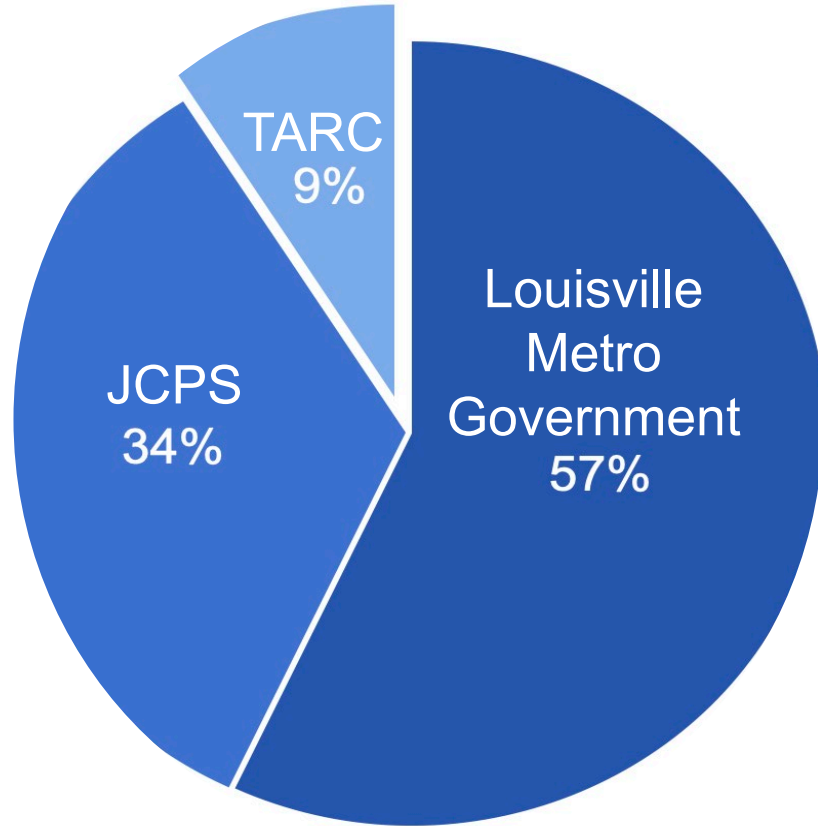
HOW TARC EXPENSES COMPARE TO PEER CITIES

TRANSIT AGENCY	COST PER SERVICE HOUR
Lexington, KY	\$103.45
Louisville, KY	\$137.97
Columbus, OH	\$141.97
Indianapolis, IN	\$150.40
Jacksonville, FL	\$152.66
Cincinnati, OH	\$158.50
Nashville, TN	\$197.06

Source: National Transit Database



OCCUPATIONAL TAX



Metro = \$437M
School Board = \$206M
TARC = \$64M

* FY 2023 Audit report data from Revenue Commission and does not include June accrual, fees or penalties

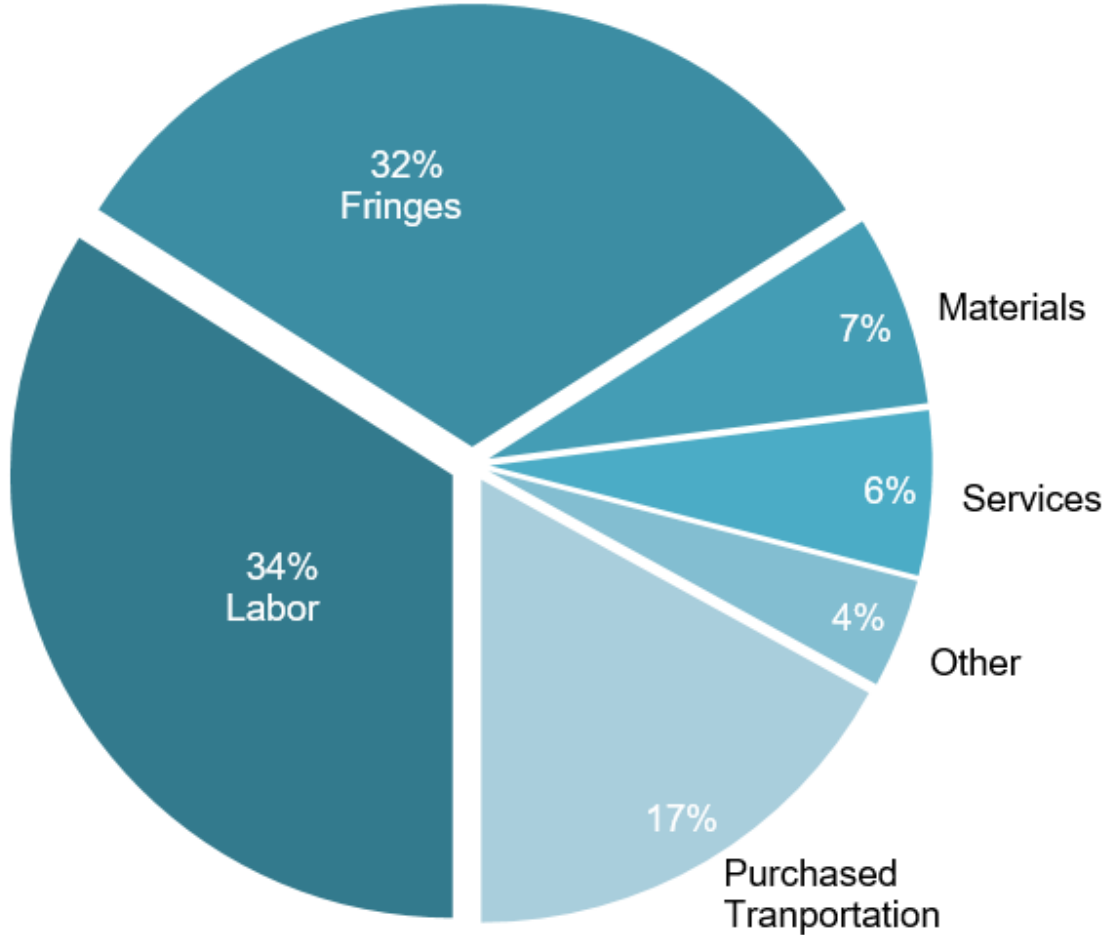
PANDEMIC FUNDING

- 3 rounds of federal emergency funding totaling \$140,639,568
- \$20 million toward operating in FY 2024
- Will be entirely exhausted by June 30, 2025



ACTUAL OPERATING EXPENSES FY 2023

Total: \$95,436,879

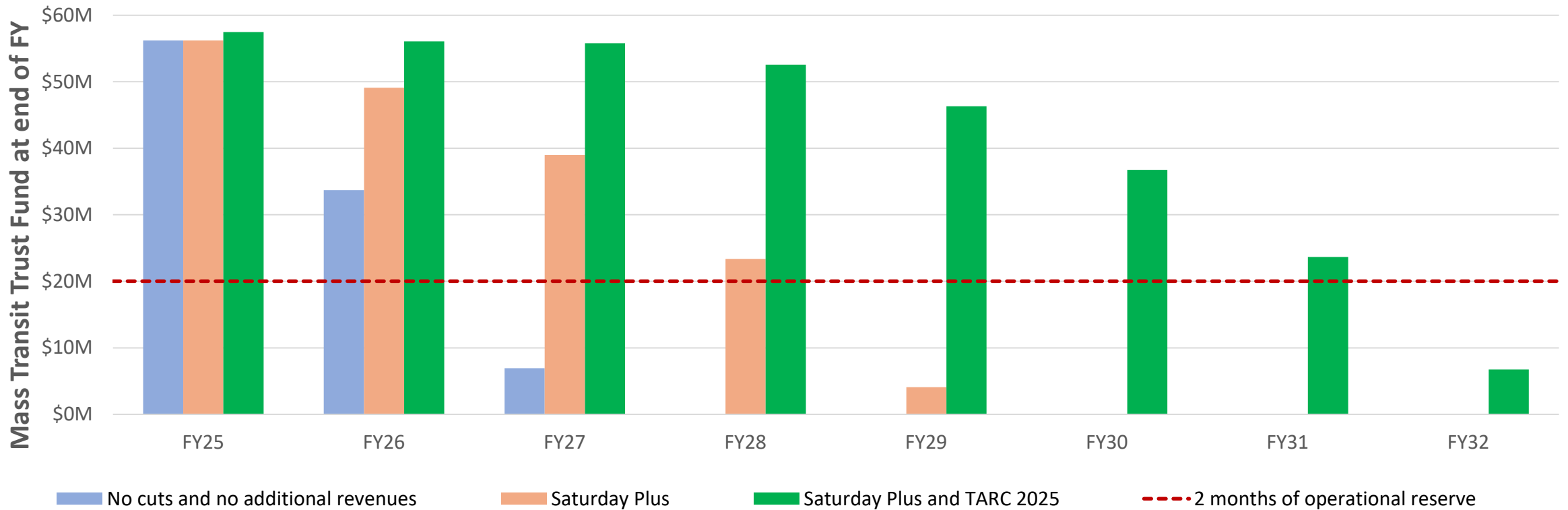


Labor	\$32,534,202
Fringes	\$30,473,948
Purchased Trans.	\$16,130,617
Materials	\$6,587,012
Services	\$5,618,683
Other	\$4,092,419

TARC FISCAL CLIFF PROJECTIONS



MTTF Ending Balance as of June 30th	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Fiscal year dates	7/24 - 6/25	7/25 - 6/26	7/26 - 6/27	7/27 - 6/28	7/28 - 6/29	7/29 - 6/30	7/30 - 6/31	7/31 - 6/32
No cuts and no additional revenues	\$56,203,802	\$33,723,971	\$6,942,840					
Saturday Plus	\$56,203,802	\$49,101,453	\$38,989,398	\$23,362,815	\$4,085,707			
Saturday Plus and TARC 2025	\$57,470,743	\$56,072,042	\$55,782,077	\$52,560,399	\$46,301,195	\$36,757,615	\$23,665,703	\$6,743,264





TARC OPERATING PROJECTIONS

Fiscal Year	FY 2024	FY 2025	FY 2026	FY 2027
Projected Operating Expenses with Cuts	\$108M	\$109M	\$96M	\$94M
Projected Operating Expenses without Cuts	\$108M	\$115M	\$120M	\$126M
Projected Local Operating Revenue	\$82M	\$87M	\$89M	\$89M
Projected Federal Subsidies*	\$26M	\$26M	\$12M	\$10M

*Notes: FY 24 and 25 includes remaining COVID relief funds plus capital eligible expense reimbursement. FY 26 and 27 only includes capital eligible expense reimbursement.



OPERATING BUDGET AND MASS TRANSIT TRUST FUND (MTTF)

FY 2019 Final

Operating Budget: \$89,493,289
MTTF Ending Balance: \$14,205,466

FY 2020 Final

Operating Budget: \$88,787,516
MTTF Ending Balance: \$14,038,469

FY 2021 Final

Operating Budget: \$87,983,988
MTTF Ending Balance: \$27,844,858

FY 2022 Final

Operating Budget: \$89,371,656
MTTF Ending Balance: \$46,436,662

FY 2023 Final

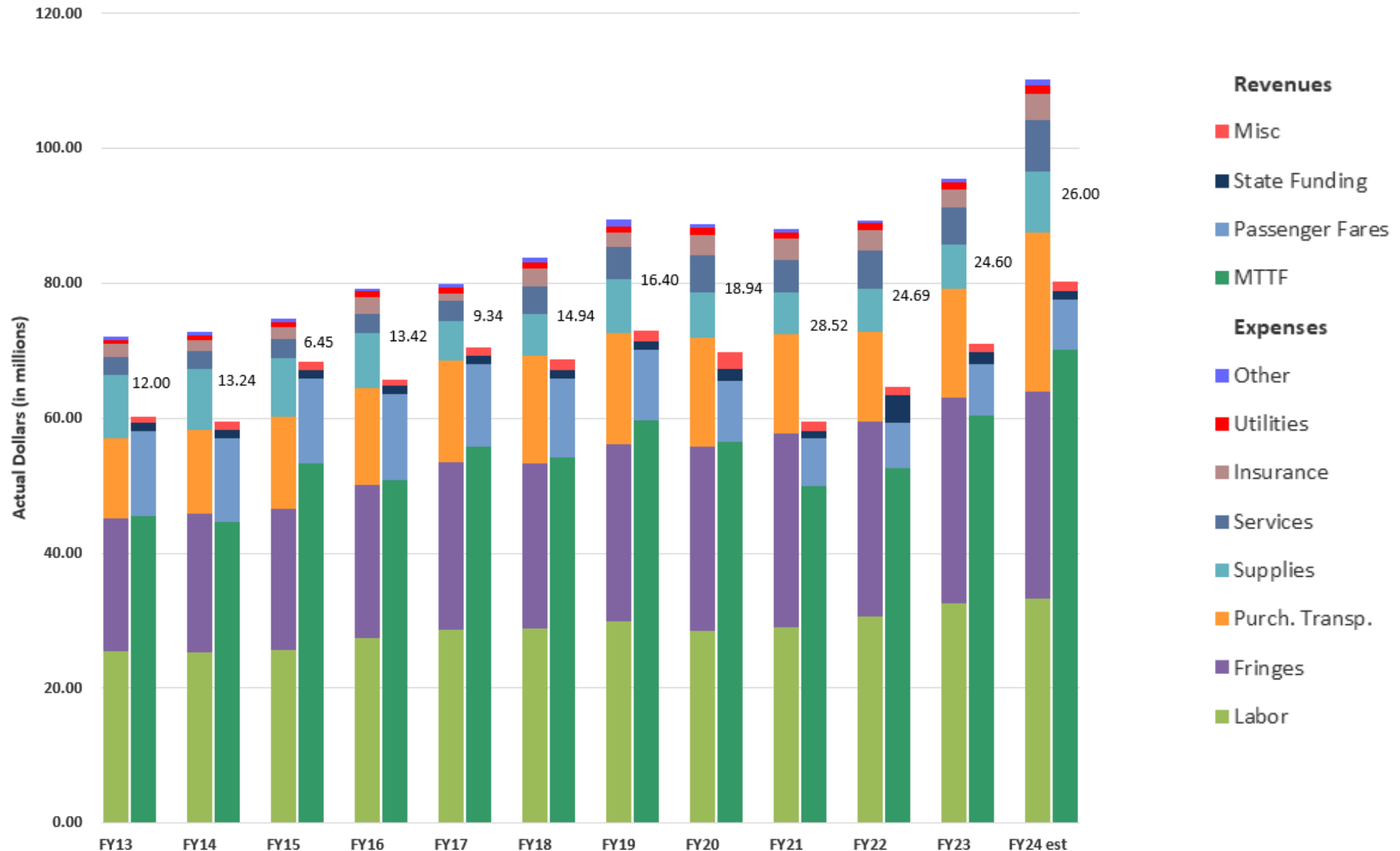
Operating Budget: \$95,436,879
MTTF Ending Balance: \$56,537,419

TARC was able to build up the MTTF balance by using 3 rounds of Federal COVID funds totaling **\$140,639,568** in place of MTTF and Federal formula dollars. Those funds are projected to be exhausted by June 30, 2025.

We were not eligible to use COVID funds for capital expenses because TARC had layoffs during COVID.



TARC HISTORY - REVENUE OVER EXPENSES





REVENUE OVER EXPENSES SHORTFALL OVER LAST 10 YEARS

	Shortfall
FY24	\$26.0M
FY23	\$24.6M
FY22	\$24.7M
FY21	\$28.5M
FY20	\$18.9M
FY19	\$16.4M
FY18	\$14.9M
FY17	\$ 9.4M
FY16	\$13.4M
FY15	\$ 6.5M
FY14	\$13.2M
FY13	\$12.0M

For many years, TARC has used capital formula funds to keep service on the street.

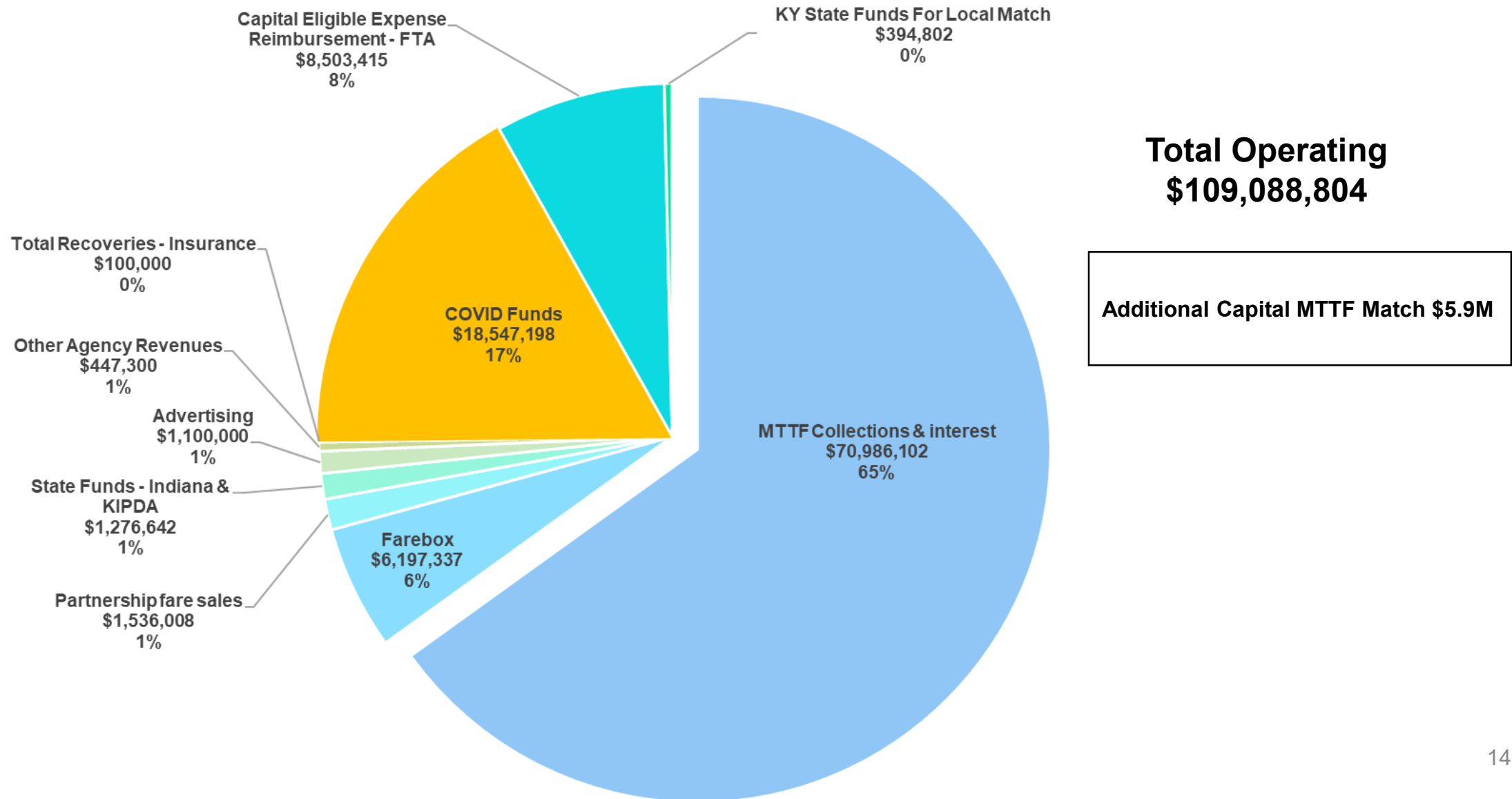
TARC has shifted funds needed to buy and maintain buses, care for facilities, purchased needed IT programs, etc. to cover its eligible operational expenses.

FY 2025 BUDGET BUILT ON THESE ASSUMPTIONS

Diesel fuel	• \$2.76/gallon
Gas	• \$3.12/gallon
Ridership	• +2% from FY24 est.
MTTF growth	• +2.5% from FY24 est.
Medical	• 6.1% actual and 10% for renewal
Purchased Transportation	• 15% increase in paratransit trips
Services	• Saturday Plus services January 2025
COVID Funds	• \$18,547,198



FY 2025 REVENUE - OPERATING BUDGET





FY 2025 REVENUE - OPERATING BUDGET

OPERATING REVENUE

MTTF Collections & interest	\$70,986,102	65.1%
Farebox	\$6,197,337	5.7%
Partnership fare sales	\$1,536,008	1.4%
State Funds - Indiana & KIPDA	\$1,276,642	1.2%
Advertising	\$1,100,000	1.0%
Other Agency Revenues	\$447,300	0.4%
Total Recoveries - Insurance	\$100,000	0.1%
Total Operating Revenues	<u>\$81,643,389</u>	75%

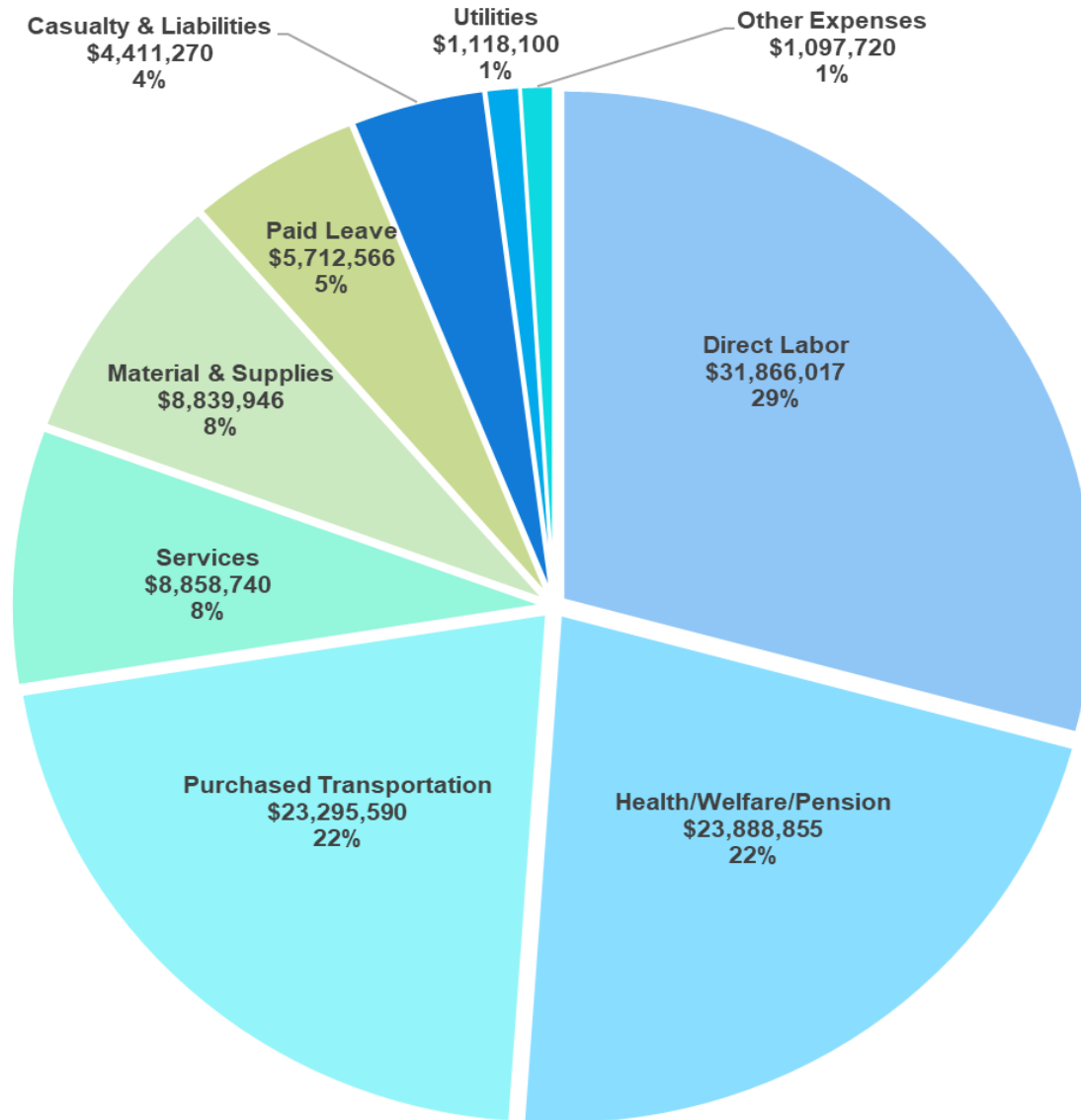
SUBSIDIES

COVID Funds	\$18,547,198	17.0%
Capital Eligible Expense Reimbursement - FTA	\$8,503,415	7.8%
KY State Funds For Local Match	\$394,802	0.4%
Total Subsidies	<u>\$27,445,415</u>	25%

TOTAL REVENUES BEFORE CAPITAL	<u><u>\$109,088,804</u></u>	100%
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FY 2025 EXPENSES - OPERATING BUDGET



Total Operating Expenses \$109,088,804



FY 2025 EXPENSES - OPERATING BUDGET

OPERATING EXPENSES

Direct Labor	\$31,866,017	29.21%
Health/Welfare/Pension	\$23,888,855	21.90%
Purchased Transportation	\$23,295,590	21.35%
Services	\$8,858,740	8.12%
Material & Supplies	\$8,839,946	8.10%
Paid Leave	\$5,712,566	5.24%
Casualty & Liabilities	\$4,411,270	4.04%
Utilities	\$1,118,100	1.02%
Other Expenses	\$1,097,720	1.01%
TOTAL OPERATING EXPENSE BEFORE CAPITAL	<u>\$109,088,804</u>	100.0%



FY 2025 CAPITAL PROJECTS & PROGRAM OF FUNDS

Projects That Use Formula Funds	TOTAL	FEDERAL	MTTF	STATE	OTHER
Purchase Twelve (12) Clean Diesel Buses*	8,833,731	7,066,985	1,550,000	216,746	0
Bus Components	0	0	0	0	0
Architectural & Engineering Services	469,888	375,910	40,000	53,978	0
Infotech Systems*	6,635,494	5,308,395	850,000	477,099	0
Security Improvements*	704,146	563,317	54,859	85,970	0
Support Vehicles*	210,000	168,000	0	42,000	0
Facility Renovation Projects*	8,307,198	6,645,758	625,000	1,036,440	0
Bus Line Inspection	15,000	12,000	3,000	0	0
Sub-total	25,175,457	20,140,365	3,122,859	1,912,233	0
Projects That Use Other (5339 & Flex) Formula Funds	TOTAL	FEDERAL	MTTF	STATE	OTHER
Purchase Eighteen (18) ADA Paratransit Vans	2,073,845	1,659,076	361,643	53,126	0
Purchase Eight (8) Battery Electric Buses - Partial*	1,980,000	1,584,000	0	396,000	0
Architectural & Engineering Services	36,797	29,438	7,359	0	0
Shop Equipment - Bus Lift Replacement*	762,854	610,283	50,000	102,571	0
Infotech Systems*	1,002,287	801,830	134,034	66,423	0
Mobile Ticketing (5339)	221,723	177,378	44,345	0	0
Support Vehicles*	250,000	200,000	50,000	0	0
Office Equipment	44,833	35,866	8,967	0	0
Facility Renovation Projects*	2,850,059	2,280,047	143,644	426,368	0
Transit Enhancements	949,025	759,220	461	187,500	1,844
Sub-total	10,171,423	8,137,138	800,453	1,231,988	1,844
Projects That Use Discretionary Funds	TOTAL	FEDERAL	MTTF	STATE	OTHER
Purchase Eight (8) Battery Electric Buses - Partial*	5,786,358	4,629,086	1,157,272	0	0
Architectural & Engineering Services	418,734	353,918	64,816	0	0
Photovoltaic Power Projects	107,761	86,209	21,552	0	0
Bus Charging Infrastructure	4,712,517	4,033,356	679,161	0	0
Workforce Development	475,000	427,500	47,500	0	0
Project Management (LowNo-CMAQ)	16,066	12,853	3,213	0	0
Operations Planning (APP-RR)	1,230,100	1,230,100	0	0	0
Sub-total	12,746,536	10,773,022	1,973,514	0	0
SUB-TOTAL - All Capital Projects	48,093,416	39,050,525	5,896,826	3,144,221	1,844

KEY CAPITAL PROJECTS

- Fleet Replacement \$13.7M
(12 Clean Diesel, 18 Paratransit Vehicles, 8 Electric)
- Facility Renovation \$11.2M
- Transit ITS \$7.6M
(On-board Computer-Aided Dispatch Automatic Vehicle Location)
- Safety and Security Program \$704K



FY 2025 CAPITAL PROJECTS & PROGRAM OF FUNDS

Capital Eligible Expense Reimbursements

<i>Projects That Use Formula Funds*</i>	TOTAL	FEDERAL	MTTF	STATE	OTHER
Non-Fixed Route ADA Paratransit	7,625,676	6,100,541	1,366,803	158,332	0
Capital Cost of Contracting (Fixed Route)	85,940	68,752	9,500	7,688	0
Capital Maintenance	1,143,910	915,128	0	228,782	0
Sub-total 5307 Formula Contributions	8,855,526	7,084,421	1,376,303	394,802	0
<i>Projects That Use Formula Funds</i>	TOTAL	FEDERAL	MTTF	STATE	OTHER
ADA Paratransit Work Trips	408,594	408,594	0	0	0
Sub-total 5310 Formula Contributions	408,594	408,594	0	0	0
<i>Projects That Use COVID Funds*</i>	TOTAL	FEDERAL	MTTF	STATE	OTHER
COVID Emergency Operations	18,547,198	18,547,198	0	0	0
Sub-total CARES Act Contributions	18,547,198	18,547,198	0	0	0
<i>Projects That Use CMAQ Funds</i>	TOTAL	FEDERAL	MTTF	STATE	OTHER
Outer Loop Service	463,000	370,400	92,600	0	0
Cross River Connector Service	800,000	640,000	160,000	0	0
Sub-total CMAQ	1,263,000	1,010,400	252,600	0	0
SUB-TOTAL - All Contributions to Operations	29,074,318	27,050,613	1,628,903	394,802	0
TOTAL	77,167,734	66,101,138	7,525,729	3,539,023	1,844

*Capital funds being used to offset operating budget shortfall

MTTF Capital Projects = \$5.9M
MTTF Capital Eligible Expense Reimbursement = \$1.6M



BUDGET BY EXPENSE CATEGORY WITH SATURDAY PLUS IN JANUARY 2025

	FY23 ACTUAL	FY24 BUDGET	FY24 ESTIMATE	FY25 BUDGET		
BEGINNING MTTF BALANCE	\$46,436,662	\$45,198,692	\$56,541,912	\$56,541,912		
OPERATING REVENUE						FY 24 EST vs FY 24 BUD
FAREBOX	\$5,927,630	\$5,819,906	\$6,075,821	\$6,197,337	2.00%	\$121,516
SPECIAL FARES	\$1,626,012	\$1,535,890	\$1,505,890	\$1,536,008	2.00%	\$30,118
CHARTER	\$0	\$0	\$0	\$0	0.00%	\$0
ADVERTISING	\$650,000	\$650,000	\$650,000	\$1,100,000	69.23%	\$450,000
OTHER AGENCY REVENUES	\$569,206	\$363,300	\$447,300	\$447,300	0.00%	\$0
TOTAL RECOVERIES - INSURANCE	\$113,119	\$50,000	\$150,000	\$100,000	-33.33%	(\$50,000)
MTTF COLLECTIONS	\$71,324,309	\$69,641,385	\$73,464,038	\$75,300,639	2.50%	\$1,836,601
MTTF INTEREST	\$1,520,993	\$550,000	\$1,566,623	\$1,582,289	1.00%	\$15,666
STATE GOVERNMENT FUNDS	\$1,732,947	\$1,276,642	\$1,276,642	\$1,276,642	0.00%	\$0
FEDERAL REIMB. FUNDS-ACCESS TO JOBS	\$494,869	\$0	\$0	\$0	0.00%	\$0
MTTF PRINCIPAL	(\$10,105,250)	\$0	\$0	\$0	0.00%	\$0
TOTAL REVENUES	\$73,853,835	\$79,887,123	\$85,136,314	\$87,540,215	2.82%	\$2,403,901
OPERATING EXPENSES						
DIRECT LABOR	\$32,534,202	\$33,240,842	\$34,132,790	\$31,866,017	-6.64%	(\$2,266,773)
FRINGE BENEFITS:						
VACATION/HOLIDAY/SICK/BIRTHDAY	\$4,721,573	\$5,664,910	\$5,657,470	\$5,712,566	0.97%	\$55,096
HEALTH/WELFARE/PENSION	\$25,752,374	\$25,047,219	\$25,233,270	\$23,888,855	-5.33%	(\$1,344,415)
SERVICES	\$5,618,683	\$7,737,546	\$7,720,710	\$8,858,740	14.74%	\$1,138,030
MATERIAL&SUPPLIES	\$6,587,012	\$9,035,040	\$9,255,700	\$8,839,946	-4.49%	(\$415,754)
UTILITIES	\$1,079,278	\$1,205,000	\$1,045,000	\$1,118,100	7.00%	\$73,100
CASUALTY&LIABILITY	\$2,586,613	\$3,827,100	\$3,939,970	\$4,411,270	11.96%	\$471,300
PURCHASED TRANSPORTATION	\$16,130,617	\$23,507,410	\$20,466,600	\$23,295,590	13.82%	\$2,828,990
INTEREST EXPENSE	\$2,220	\$0	\$0	\$0	0.00%	\$0
OTHER EXPENSE	\$424,308	\$961,020	\$699,120	\$1,097,720	57.01%	\$398,600
TOTAL OPERATING EXPENSE	\$95,436,880	\$110,226,087	\$108,150,630	\$109,088,804	0.87%	\$938,174
CAPITAL ELIGIBLE EXPENSE REIMBURSEMENT	(\$2,971,879)	(\$9,218,469)	(\$5,851,876)	(\$10,527,120)	79.89%	(\$4,675,244)
CRRSAA FUNDING	(\$12,058,902)	\$0	\$0	\$0	0.00%	\$0
ARP	(\$9,596,003)	(\$28,695,496)	(\$20,150,175)	(\$18,547,198)	-7.96%	\$1,602,977
SUBTOTAL	(\$24,626,784)	(\$37,913,965)	(\$26,002,051)	(\$29,074,318)	11.82%	(\$3,072,267)
NET OPERATING EXPENSE	\$70,810,096	\$72,312,122	\$82,148,579	\$80,014,486	-2.60%	(\$2,134,093)
MTTF CAPITAL SHARE	\$3,043,739	\$7,575,001	\$2,987,735	\$7,525,729	151.89%	\$4,537,994
TOTAL OPERATING/CAPITAL	\$73,853,835	\$79,887,123	\$85,136,314	\$87,540,215	2.82%	\$2,403,901
ENDING MTTF BALANCE	\$56,541,912	\$45,198,692	\$56,541,912	\$56,541,912	0.00%	\$0

MTTF Principal shows how much is added or withdrawn from the MTTF Balance based on revenue over expenses for the fiscal year.

TARC policy is to keep 2 months of reserve for Operating Expenses.



BUDGET BY DEPARTMENT WITH SATURDAY PLUS IN JANUARY 2025

	FY23 ACTUAL	FY24 BUDGET	FY24 ESTIMATE	FY25 BUDGET		
BEGINNING MTTF BALANCE	\$46,436,662	\$45,198,692	\$56,541,912	\$56,541,912		
OPERATING REVENUE						FY 24 EST vs FY 24 BUD
FAREBOX	\$5,927,630	\$5,819,906	\$6,075,821	\$6,197,337	2.00%	\$121,516
SPECIAL	\$1,626,012	\$1,535,890	\$1,505,890	\$1,536,008	2.00%	\$30,118
CHARTER	\$0	\$0	\$0	\$0	0.00%	\$0
ADVERTISING	\$650,000	\$650,000	\$650,000	\$1,100,000	69.23%	\$450,000
NON-TRANSPORTATION	\$569,206	\$363,300	\$447,300	\$447,300	0.00%	\$0
TOTAL RECOVERIES -INSURANCE	\$113,119	\$50,000	\$150,000	\$100,000	-33.33%	(\$50,000)
MTTF COLLECTIONS	\$71,324,309	\$69,641,385	\$73,464,038	\$75,300,639	2.50%	\$1,836,601
MTTF INTEREST	\$1,520,993	\$550,000	\$1,566,623	\$1,582,289	1.00%	\$15,666
INDIANA/KIPDA/OTHER	\$1,732,947	\$1,276,642	\$1,276,642	\$1,276,642	0.00%	\$0
FEDERAL REIMB. FUNDS-ACCESS TO JOBS	\$494,869	\$0	\$0	\$0	0.00%	\$0
MTTF PRINCIPAL	(\$10,105,250)	\$0	\$0	\$0	0.00%	\$0
TOTAL REVENUES	\$73,853,835	\$79,887,123	\$85,136,314	\$87,540,215	2.82%	\$2,403,901
OPERATING EXPENSES						
TRANSPORTATION	\$44,472,679	\$44,629,688	\$46,083,130	\$41,279,399	-10.42%	(\$4,803,731)
MAINTENANCE	\$17,143,061	\$18,296,161	\$18,663,210	\$19,083,874	2.25%	\$420,664
PARATRANSIT/CUST SERVICE	\$17,779,656	\$25,560,324	\$22,396,400	\$25,555,720	14.11%	\$3,159,320
MARKETING	\$541,400	\$1,098,893	\$1,043,280	\$1,361,053	30.46%	\$317,773
PLAN/SCHED	\$1,008,117	\$985,539	\$855,450	\$945,547	10.53%	\$90,097
EXECUTIVE OFFICE	\$1,795,918	\$2,390,275	\$2,130,300	\$2,020,172	-5.17%	(\$110,128)
GRANTS	\$453,214	\$954,374	\$845,500	\$629,729	-25.52%	(\$215,771)
SAFETY	\$4,478,980	\$6,404,284	\$6,758,120	\$7,069,211	4.60%	\$311,091
PURCHASING	\$1,119,653	\$1,089,649	\$1,104,550	\$1,202,256	8.85%	\$97,706
IT	\$3,402,115	\$4,369,294	\$4,237,830	\$4,688,775	10.64%	\$450,945
FINANCE	\$1,735,297	\$2,187,079	\$2,096,840	\$2,188,083	4.35%	\$91,243
HUMAN RESOURCES	\$1,029,995	\$1,342,197	\$1,176,440	\$2,185,900	85.81%	\$1,009,460
TRAINING	\$476,795	\$918,330	\$759,580	\$879,085	0.00%	\$119,505
TOTAL OPERATING EXPENSE	\$95,436,880	\$110,226,087	\$108,150,630	\$109,088,804	0.87%	\$938,174
CAPITAL ELIGIBLE EXPENSE REIMBURSEME	(\$2,971,879)	(\$9,218,469)	(\$5,851,876)	(\$10,527,120)	79.89%	(\$4,675,244)
CARRSA FUNDING	(\$12,058,902)	\$0	\$0	\$0	0.00%	\$0
ARP	(\$9,596,003)	(\$28,695,496)	(\$20,150,175)	(\$18,547,198)	0.00%	\$1,602,977
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NET OPERATING EXPENSE	\$70,810,096	\$72,312,122	\$82,148,579	\$80,014,486	-2.60%	(\$2,134,093)
MTTF CAPITAL SHARE	\$3,043,739	\$7,575,001	\$2,987,735	\$7,525,729	151.89%	\$4,537,994
TOTAL OPERATING/CAPITAL	\$73,853,835	\$79,887,123	\$85,136,314	\$87,540,215	2.82%	\$2,403,901
ENDING MTTF BALANCE	\$56,541,912	\$45,198,692	\$56,541,912	\$56,541,912	0.00%	\$0

Explanations

- Saturday Plus implemented January 2025
- New shelter maintenance agreement
- Increase Purchased Transportation
- Media advertising
- Insurance premiums & expenses
- Increased unemployment insurance



FY 2025 SATURDAY PLUS IMPLEMENTED JANUARY 2025

Saturday Plus Implemented January 2025	Increases	Savings
Labor		(\$3,716,276)
Fringes		(\$2,176,850)
Materials & Supplies		<u>(\$1,162,007)</u>
	Subtotal	(\$7,055,133)
Loss in Formula Capital Eligible Expense Reimbursement	\$5,040,453	
Increase in Unemployment Insurance	<u>\$915,200</u>	
	Subtotal	\$5,955,653
Net Saturday Plus savings in FY 2025 Budget		(\$1,099,480)
Other Increases/Decreases (Mainly Purchased Transportation)	<u>\$2,037,654</u>	
By Expense Category change in FY 2025 Budget	\$938,174	

SATURDAY PLUS SERVICE

Saturday Plus is the least intrusive way for TARC to preserve essential service while still taking important action to address the looming fiscal cliff

What does Saturday Plus mean?

- Weekday schedules on a majority of TARC bus routes will shift to Saturday-level service, meaning fewer scheduled buses every hour and less frequent service Monday-Friday.
- This is similar to service reductions TARC implemented during the height of the COVID pandemic.
- TARC3 service will remain at current levels.

Why is it necessary?

Saturday Plus allows TARC to reduce expenses until the network redesign is complete and new sources of revenue are identified and implemented.



SATURDAY PLUS SERVICE FACTS

Current Service

- TARC routes operate weekday schedules on Monday – Friday, and Saturday and Sunday schedules on weekends.

Saturday Plus Service

- Most of the TARC routes will operate on Saturday's schedule Monday to Friday. The exceptions will be TARC's core frequency routes that almost 50 percent of TARC riders rely on and routes necessary to provide access to major employment hubs during the workweek.
- Saturday and Sunday schedules will remain the same as they are currently.
- Hours of service (AM to PM) on routes changing to Saturday Plus service will be adjusted accordingly.
- TARC service area will not be impacted with Saturday Plus changes, and no passengers will be left without TARC service.
- The route's frequency and number of trips Monday - Friday will be reduced on most routes potentially impacting passenger's daily schedules and increasing wait times at the stops.
- TARC 3 paratransit service will not be impacted with Saturday Plus schedules.
- Saturday Plus will be implemented in January 2025



SATURDAY PLUS SUMMARY OF CHANGES

JAN 2025 PROPOSED SATURDAY PLUS SERVICE ALL ROUTES WILL MAINTAIN THEIR CURRENT HOURS AND FREQUENCIES ON SATURDAYS AND SUNDAYS					
INDICATES NO CHANGE IN WEEKDAY SERVICE					
ROUTE	ROUTE NAME	CURRENT SPAN OF SERVICE	CURRENT FREQUENCY	SATURDAY+ SPAN OF SERVICE	SATURDAY+ FREQUENCY
2	Second Street	05:10 - 22:20	35 / 70	06:15 - 22:20	70
4	Fourth Street	04:50 - 00:14	15 / 30	04:50 - 00:14	15 / 30
6	Sixth Street	04:58 - 00:24	40 / 60	05:20 - 00:37	60
10	Dixie Rapid	04:03 - 00:00	15 / 30	04:03 - 00:00	15 / 30
12	Twelfth Street	04:57 - 20:04	60	09:51 - 18:09	60
15	Market Street	04:58 - 23:39	15-20 / 40 / 70	05:37 - 23:32	60-75
17	Bardstown Road	05:40 - 23:19	20-50 / 60-80 / 40 / 90	06:01 - 22:29	90
18	18th Street-Dixie Highway	03:55 - 00:36	40	05:29 - 00:23	40
19	Muhammad Ali Blvd	04:15 - 00:42	15-30 / 30 / 30-60	05:14 - 00:37	40 / 60
21	Chestnut Street	05:12 - 23:06	30-40 / 45-90 / 70-85	05:53 - 21:56	60-75
22	Twenty-Second Street	05:43 - 19:58	65-85	05:43 - 19:58	65-85
23	Broadway	04:32 - 00:11	15 / 20-60	04:32 - 00:11	15 / 20-60
25	Oak-Westport Crosstown	04:55 - 23:32	30-45 / 45 / 50-70	06:17 - 22:57	70
27	Hill Street	05:13 - 22:15	40 / 60	05:58 - 22:14	60
28	Jackson Street-Preston Highway	04:39 - 00:13	15 / 30-60	04:39 - 00:13	15 / 30-60
29	Eastern Parkway	05:15 - 22:55	36-62 / 40- 60	05:55 - 21:34	60
31	Shelbyville Road	05:23 - 23:45	30-60 / 80 / 70	06:15 - 11:35	75-135
40	Taylorsville Road	04:25 - 23:48	35-60 / 75 / 40 / 90	05:18 - 21:44	90
43	Poplar Level	04:42 - 23:53	30-60 / 70 / 80-90	05:35 - 23:26	60-75
46	National Turnpike - Outer Loop	05:00 / 18:20	8 AM and 8 PM trips	05:00 / 18:20	8 AM and 8 PM trips
52	Medical Center Circulator	09:30 - 15:44	20-40	09:30 - 17:09	35 / 50
63	Crums Lane	05:04 - 23:35	30-40 / 70 / 60-70	05:55 - 21:35	60 / 70
71	Jeffersonville-Louisville-New Albany	05:17 - 22:36	35 / 55 / 80	05:38 - 22:04	25 / 60-80
72	Clarksville	05:38 - 23:58	30-35 / 50 / 50-80	06:28 - 23:18	45-50 / 80
73	West Louisville-River Ridge	05:25 / 19:39	Total 11 trips / day	5:30 / 19:39	11 trips - no change
74	Chamberlain Lane-River Ridge	05:07 / 20:14	Total 11 trips / day	05:07 / 20:14	11 trips - no change
75	Bluegrass Circulator	Total 8 trips /day	4 AM and 4 PM trips		
93	UPS Shuttle-UL-JCTC	03:26 / 00:36	2 AM and 2 PM trips	03:26 / 00:36	4 trips - no change
94	Cardinal Shuttle	06:40 - 21:36	3 - 5 / 10	06:40 - 21:36	3 - 5 / 10
99	UPS Shuttle West Louisville	04:29 / 23:18	1 AM and 1 PM trip	04:29 / 23:18	2 trips - no change



TARC 2025 NETWORK REDESIGN

What is the TARC 2025 Network Redesign?

The TARC 2025 Network Redesign project will work directly with the community and TARC to develop and deliver two proposals for an updated TARC transit network that can better meet the community's goals and priorities – within the reality of the funding that TARC can expect over the next 5-10 years.

Why is the TARC 2025 Network Redesign important?

The TARC 2025 Network Redesign is one of the core TARC approaches to proactively address the looming fiscal cliff. The network redesign process centers around detailed community and stakeholder conversation and input to identify the most important transit goals and priorities in order to implement an updated network that focuses on the community's most important needs.

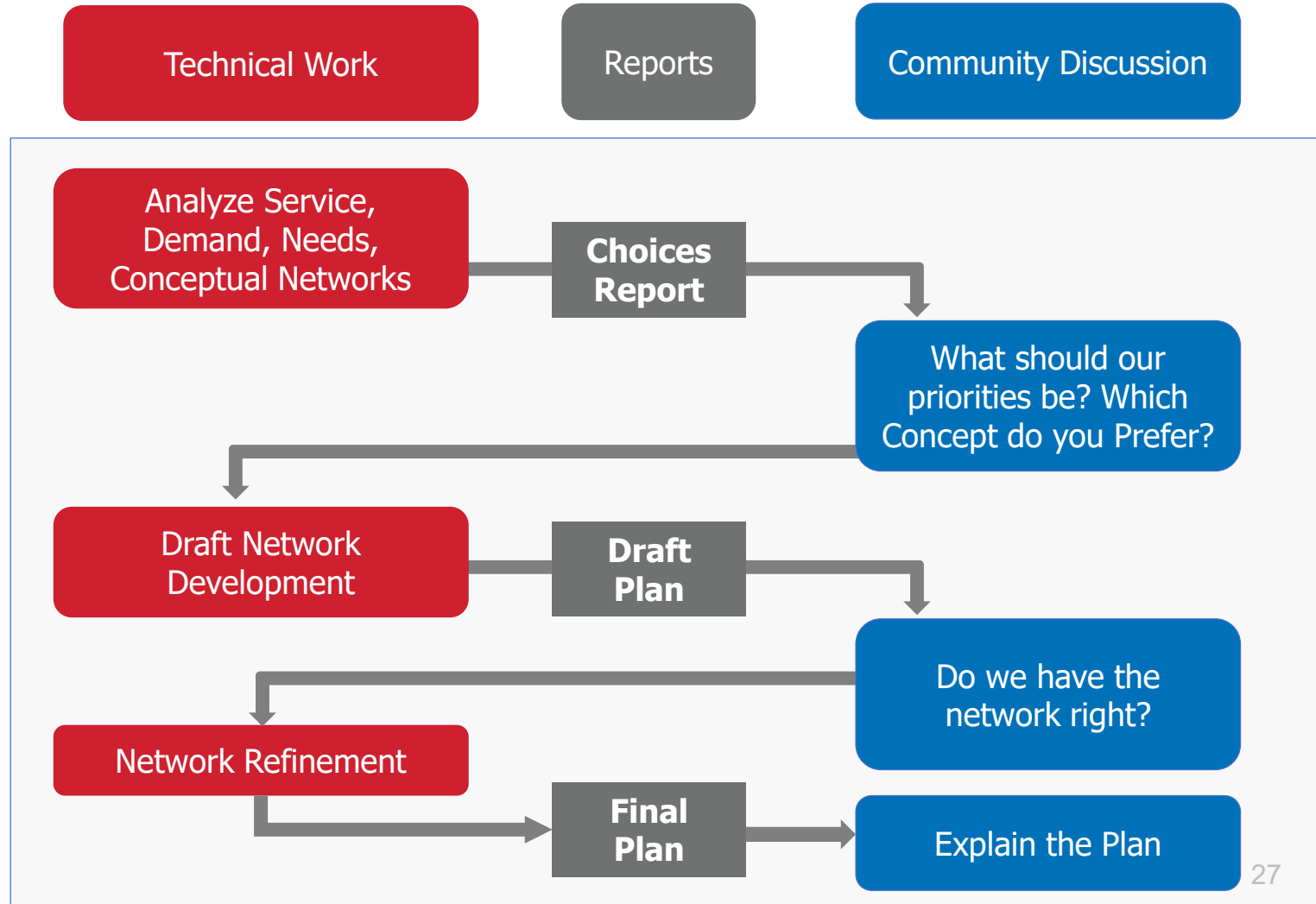
When will the TARC 2025 Network Redesign be completed?

The TARC 2025 Network Redesign final proposals will be completed by February 2025 and the network changes could be implemented as soon as August 2025.

TARC 2025: HOW DOES IT WORK?

THE PROJECT IS A CONVERSATION

- The process builds on the interaction between the technical work and community conversations.
- At the key points in blue, we will engage the public and riders.



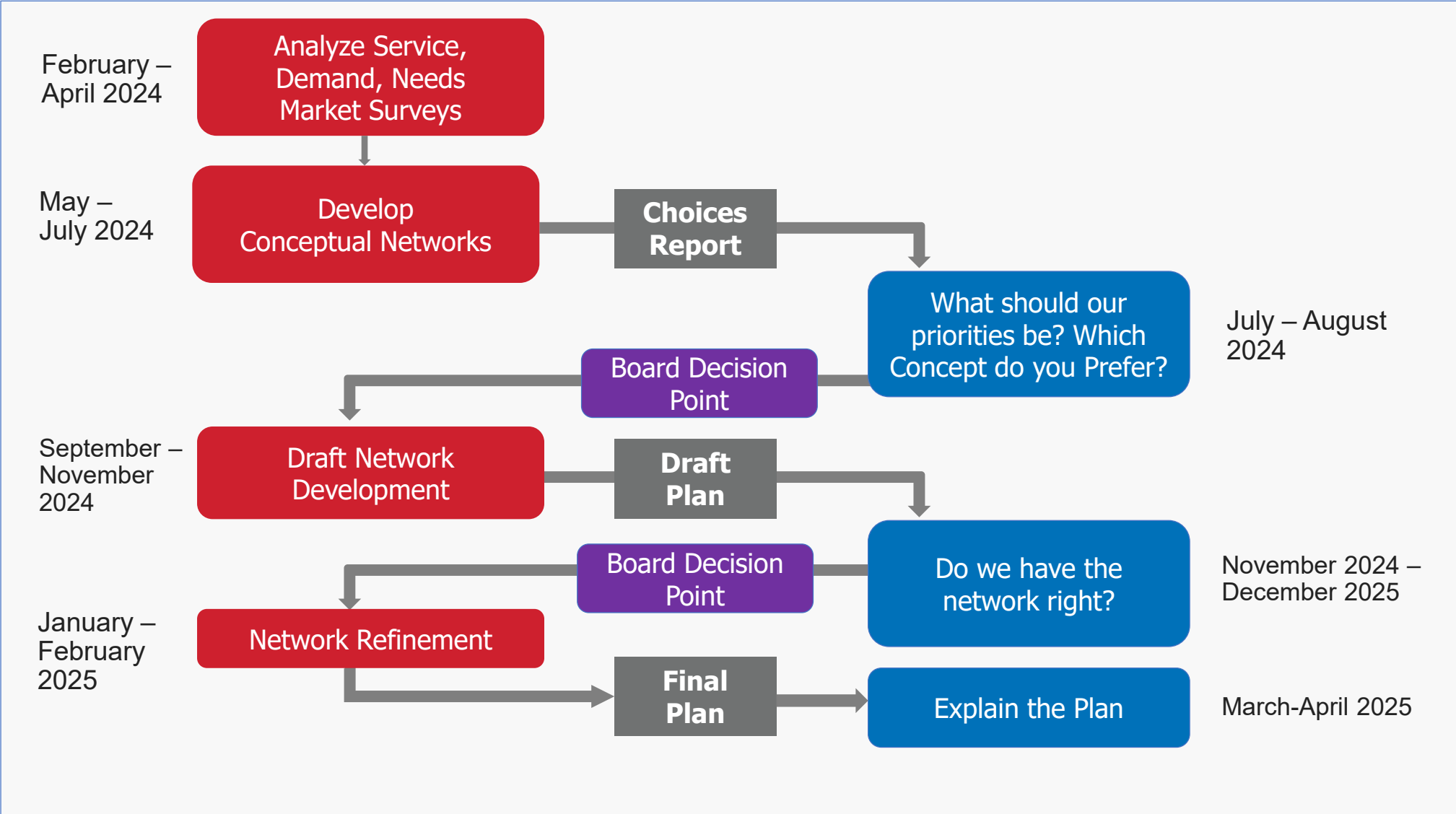


TARC 2025: TIMELINE

Technical Work

Reports

Community Discussion





DRAFT FISCAL YEAR 2025 BUDGET

April 15, 2024



MEMORANDUM

To: TARC Board of Directors

From: Ozzy Gibson, Interim Executive Director

Date: April 15, 2024

Re: Resolution 2024 - 18 TARC's Fiscal Year 2025 Budget

The Transit Authority of River City (TARC) Fiscal Year 2025 Budget comes with funding challenges that we have not seen before. TARC has not been financially sustainable for many years. TARC has been rescued from the fiscal cliff by several one-time federal funding sources to help the continuation of transportation services to the Louisville area. However, at this time, we do not have these options available.

TARC's portion of the 1974 Jefferson County Occupational License Fee, or Mass Transit Trust Fund, has not been able to keep pace with the rate of cost increases across key cost centers.

This recommended budget is taking the necessary steps to be fiscally responsible in order to manage a projected significant shortfall. This budget recommends reducing services in January 2025. This will be the first step towards a budget that matches the available funding.

During the fiscal year, TARC will also have a completed TARC 2025 plan to be implemented no later than January 2026 as we push out the depletion of the MTTF, while taking steps to build a new TARC.

Please call me at 561-5100 if you have any questions. Thank you.



RESOLUTION 2024-18 TARC Fiscal Year 2025 Budget

A Resolution approving the TARC FY 2025 budget and authorizing the Interim Executive Director to forward the budget to Louisville Metro Government for its consideration.

WHEREAS, our resources for the FY 2025 budget will be directed towards steps to make TARC more sustainable; and,

WHEREAS, providing quality service within our means and safe service continues to be our top priority; and,

WHEREAS, TARC is committed to continuous improvement, exploring visionary opportunities and new funding resources; and,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Transit Authority of River City that:

The TARC FY 2025 Budget is hereby approved and the Interim Executive Director is hereby authorized to forward the TARC FY 2025 Budget to Louisville Metro Government for its consideration.

ADOPTED THIS 15th DAY OF APRIL 2024

Ted Smith, Chair of the Board of Directors