

## 4.1 Financial Model Assumptions – Narrative

### Background

The Wake Transit Plan is a combined investment strategy which reflects a vision for transit service development governed by the “Four Big Moves”: to connect regionally; to connect all Wake County communities; to provide frequent and reliable urban mobility; and to provide enhanced access to transit. As part of this effort, the Transit Planning Advisory Committee (TPAC) has assigned GoTriangle as the lead agency to update the Wake Transit Financial Plan and the financial model. Per the Transit Interlocal Governance Agreement, the financial model shall contain the operating and capital policies and guidelines mutually agreed to by the TPAC. The model also includes the multi-year capital and operating costs, as well as the liquidity targets and debt ratios relevant to rating agency metrics.

The Financial model continues to reflect the Wake Transit Plan’s strategic approach in leveraging federal and state funds combined with existing and new sources of local funding in order to deliver projects that work towards the plan’s overarching goals. Additionally, the plan continues to maintain the necessary liquidity measures and other metrics of fiscal health to support the goals of the Wake Transit Financial Plan while adhering to the policies of the Wake Transit Financial Guidelines approved by CAMPO and GoTriangle.

For more detail on the policies that govern Wake Transit visit:  
[www.goforwardnc.com/wake-county](http://www.goforwardnc.com/wake-county)

### FY 2024 Wake Transit Work Plan Specifics and Assumptions

As detailed in the Wake County Transit Plan, the Wake Transit Work Plan is fiscally constrained and contingent upon a variety of assumptions that will evolve as critical information is modified and projections are updated to reflect actual results. As such, the Recommended FY 2024 Work Plan:

- Incorporates relevant projects from the FY 2023 Adopted Work Plan’s Multi-Year and Capital Improvement programs based on the further review conducted as part of the FY 2024 Wake Transit Work Plan process
- Includes assumptions of competitive grant revenue for some Bus Infrastructure projects
- Incorporates continued investments in the Community Funding Area Program

## Attachment B - FY 24 Revised Work Plan Model Assumptions Narrative

- Includes in the financial model funding allocated to select capital projects programmed past the current 2030 horizon of both the Capital Improvement Plan (CIP) and the Wake Transit Plan<sup>1</sup>. Two specific projects falling into this category include a multi-phased approach totaling \$2.12 Billion for the Greater Triangle Commuter Rail project (for more information see the call-out box below) and \$83 Million for the Wake BRT: Northern Corridor.

Additionally, overall inflation assumptions; availability of local sources of revenue and growth assumptions; competition for federal funding for projects; successful access to capital markets; and regional partnerships will continue to influence the overall financial outlook of the Transit Plan. The Recommended FY 2024 Wake Transit Work Plan does assume some changes in the FY 2024 Sales Tax projections to accommodate a growing economy, but one that is growing at a slightly slower pace this fiscal year.

The FY 2024 Financial Model Assumptions Template details the assumptions made in the Wake Transit Financial Plan adopted by GoTriangle, CAMPO, and the Wake County Board of Commissioners and compares those to the assumptions used to prepare the Recommended FY 2024 Wake Transit Work Plan. Operating and capital costs included in the model are shown in the multi-year operating and capital improvement programs contained in the Recommended FY 2024 Transit Work Plan Appendix.

On April 21, 2023, GoTriangle's leadership, acting through approval by the GoTriangle Board of Trustees, delivered correspondence to the Capital Area Metropolitan Planning Organization (CAMPO) and Wake County leadership describing their intent to no longer contribute 50% of the Regional Transit Authority Vehicle Rental Tax, as defined in NCGS § 105-550 through NCGS § 105-556, to the Orange, Durham, and Wake County Transit Program(s) for the FY 2024 budget, effective July 21, 2023. This action would reduce the allocation of Vehicle Rental Tax revenue shown in the Recommended FY 2024 Wake Transit Work Plan's Tax District Revenues by 94.25% or \$4,516,296.

The transfer of funds from the Wake Capital Reserve Fund Balance will be increased by \$4,516,296 to mitigate the revenue removed from the Work Plan for FY 24. It is anticipated that this action will provide a balanced budget for the FY 24 Wake Transit Work Plan and allow all programmed projects in the Recommended FY 24 Wake Transit Work Plan to move forward. It is anticipated that this action will provide a balanced budget for the FY 24 Wake Transit Work Plan and allow all programmed projects in the Recommended FY 24 Wake Transit Work Plan to move forward.

The revised FY 2024 Wake Transit Work Plan Model Assumptions Update Summary shows that the low point of capital liquidity through the current Wake County Transit Plan horizon year of FY 2030 occurs in FY 2026. It is projected that the proposed proportional removal of the Vehicle Rental Tax from the Wake Transit Program Financial Model will reduce this said low point by 18.3% or 14.4 million dollars from the level in the FY 24 Wake Transit Work Plan that was recommended by the TPAC at its April 2023 meeting. The Wake Transit Governance ILA parties (GoTriangle, CAMPO, and Wake County) will continue to evaluate what effect if any this change will have to currently programmed implementation elements in the Wake Transit Work Plan's Multi-Year Operating Program and Capital Improvement Plan. The Governance ILA parties will also continue to evaluate the potential impacts of any longer-term removal of the vehicle rental tax allocation from the adopted Wake Transit financial model. It is anticipated that this work will inform the upcoming update to the Wake Transit Vision Plan and Financial Model that will begin in FY 24, including the impacts to planned projects and programs in future years.

<sup>1</sup> The Wake Transit Plan must be updated every four (4) years to continue to extend its planning and incorporate further investment needs. This second update, which will push the horizon year out an additional five (5) years to 2035, is included as a capital project in this Recommended FY 2024 Wake Transit Work Plan.

## Attachment B - FY 24 Revised Work Plan Model Assumptions Narrative

**Greater Triangle Commuter Rail Process and Assumptions:** As of the publication of the Recommended FY 2024 Wake Transit Work Plan, the technical analysis for the Greater Triangle Commuter Rail (GTCR) Phase 2 Feasibility Study had concluded. This study reported significantly higher costs and larger technical challenges associated with completing the full commuter rail corridor than anticipated and programmed in the FY 2023 Adopted Wake Transit Work Plan. The Study also noted challenges, based on expected costs and anticipated ridership, with the 50% federal match assumption in the FY 2023 Work Plan. While the Study recommended that no matching federal grants be programmed for the initial stages of the commuter rail project, there is potential for federal funding in subsequent phases of the project. To reflect that no decision has been made on if or how the project should move forward, and that decision-makers wished to explore potential options for implementation, the FY 2024 Wake Transit Work Plan includes capital and operating “place-holder scenarios” for commuter rail funding.

The Greater Triangle Commuter Rail (GTCR Phase 2 Feasibility Study introduced the potential need for a phased approach for implementing the full ~38 miles from West Durham to Garner. The Study presented the following potential segments with the following track length and costs:

- Western (End Points: West Durham to RTP | Miles: ~12 | Capital Cost: \$1.6B);
- Central (End Points: Ellis Road or RTP to Raleigh Union Station | Miles: ~20 | Capital Cost: \$800M - \$1B); and
- Eastern (End Points: Raleigh Union Station to Auburn Station in Garner | Miles: ~10 | Capital Cost: \$600 - \$700M)

The FY 2024 Wake Transit Work Plan capital commuter rail “place-holder scenario” allocates funding for two segments, anticipating a build out of approximately 80% of the corridor by 2037 at a total cost of \$2.1B, \$1.4B of which is assumed to be the Wake County Share of the project. The operating commuter rail “place-holder scenario” allocates \$16.1 million for the Wake County share of the first full year of annual operations in FY 2033. The FY23 work plan assumed \$28.0 million for the Wake County share of the first full year of annual operations in FY 2031. Both scenarios assume a 20% farebox recovery. It is expected that the capital and operating “place-holder scenarios” will be updated in the Wake Transit Financial Model after key decisions are made.

GTCR PROJECT ASSUMPTIONS: Adopted FY 2023 vs. Recommended FY 2024 Work Plans		
	Adopted FY 2023 Wake Transit Work Plan	Recommended FY 2024 Wake Transit Work Plan “place-holder scenario”
<b>Total Project Mileage</b>	~38 miles (from West Durham to Garner)	30 miles*
<b>Total Wake Transit Project Cost</b>	\$1.3B	\$2.1B*
<b>Wake County Share</b>	\$0.7B	\$1.4B*
<b>Federal Participation Share</b>	\$0.7B	\$0.7B*
<b>Projected Debt</b>	\$0.6B	\$0.9B*
<b>Projected Debt Term &amp; Pay-Off Date</b>	30-year term, final payment FY 2059	35-year term, final payment FY 2072
<b>Assumed Federal Support</b>	FFGA Match	RRIF Loan (Both Phases), FFGA Match (Phase 2)
<b>Projected Completion Date</b>	FY 2030	FY 2033 (Phase 1), FY 2037 (Phase 2)

\* Assumed in the FY 24 WTWP is the completion of two of the three segments, but which two remains undetermined. Exact mileage and cost will depend upon which segments are selected to move forward. Amounts rounded to the nearest billion.

**FY24 Wake Transit Plan Budget Change Impact**

	<u>Revenue</u>	<u>Expenditures</u>	<u>Reserve / Cash Impact</u>	<u>Ordinance Category</u>	<u>Comments</u>
<b><i>FY24 Draft Budget - February 15, 2023 (TPAC Meeting)</i></b>	<b>\$ 223,844,212</b>	<b>\$ 242,818,366</b>	<b>\$ (18,974,154)</b>		<b><i>\$19.0M Allocation from Wake Capital Fund</i></b>
1/2-Cent Sales Tax	5,000,000	-	5,000,000	Revenue	Increase in 1/2 Cent Sale Tax Projections (Increase to \$125M)
Farebox Revenue	(1,543,718)	-	(1,543,718)	Revenue	Anticipated Fare Suspension
Apex, Morrisville, Wake Forest	(68,241)	-	(68,241)	Community Funding Area Program (CFAP) - Operating	Allocation from CFAP Fund Reserve due to increase in GoCary and GoRaleigh Hourly Service Rate
Wake County	-	400,000	(400,000)	Bus Operations	Funding for New Project: Northeast Wake County Microtransit Service
GoTriangle	-	(4,900,000)	4,900,000	Transit Infrastructure	Delay Capital outlay for GoTriangle Regional Transit Center from FY24 to FY25
GoTriangle	-	(280,000)	280,000	Transit Infrastructure	Delay Capital outlay and Decrease Wake Transit Capital Funds through FY28 for GoTriangle BOMF
GoTriangle	-	(1,089,563)	1,089,563	Bus Operations	Reduction in FY24 Service for Route 305; Frequency increases planned in FY25 and FY27
<b><i>FY24 Recommended Budget - April 19, 2023 (TPAC Meeting)</i></b>	<b>\$ 227,232,253</b>	<b>\$ 236,948,803</b>	<b>\$ (9,716,550)</b>		<b><i>\$9.7M Allocation from Wake Capital Fund</i></b>
Vehicle Rental Tax	(4,516,296)	-	(4,516,296)		Reduction in Vehicle Rental Tax from \$4,792,000 to \$275,704 (\$4.792M / 365 days * 21 Days of July)
<b><i>FY24 Revised Budget - May 17, 2023 (TPAC Meeting)</i></b>	<b>\$ 222,715,957</b>	<b>\$ 236,948,803</b>	<b>\$ (14,232,846)</b>		<b><i>\$14.2M Allocation from Wake Capital Fund</i></b>

**FY24 Triangle Tax District: Wake Operating****Revised**

	<b>Triangle Tax District: Wake Operating</b>
<b>Revenues</b>	
<b>Tax District Revenues</b>	
Article 43 1/2 Cent Local Option Sales Tax	\$ 26,519,260
Vehicle Rental Tax	\$ 275,704
\$7.00 Vehicle Registration Tax	\$ 6,850,000
\$3.00 Vehicle Registration Tax (Transfer from Wake Tax District)	\$ 2,925,000
Community Funding Area Fund Balance	\$ 480,137
Other Tax District Revenues	\$ 608,437
<b>Total Revenues</b>	<b>\$ 37,658,538</b>
<b>Expenditures</b>	
<b>Tax District Administration</b>	
Salaries and Benefits	\$ 470,000
Contracted Services	\$ 165,733
<b>Transit Plan Administration</b>	
GoTriangle	\$ 2,745,107
CAMPO	\$ 824,909
GoRaleigh	\$ 1,885,167
GoCary	\$ 884,348
<b>Bus Operations</b>	
GoTriangle	\$ 4,052,469
GoRaleigh	\$ 20,742,251
GoCary	\$ 2,557,187
GoWake Access	\$ 1,125,361
Wendell	\$ 4,752
Zebulon	\$ 6,397
Reserve	\$ 125,996
<b>Community Funding Area</b>	
Wake Forest	\$ 415,457
Apex	\$ 440,607
Morrisville	\$ 375,012
FY23 Unused Funds	\$ 480,137
Reserve	\$ 357,648
<b>Total Expenditures</b>	<b>\$ 37,658,538</b>
<b>Revenues over Expenditures</b>	<b>\$ -</b>

**FY24 Triangle Tax District: Wake Operating****Recommended on 4/19/23**

	<b>Triangle Tax District: Wake Operating</b>
<b>Revenues</b>	
<b>Tax District Revenues</b>	
Article 43 1/2 Cent Local Option Sales Tax	\$ 22,002,964
Vehicle Rental Tax	\$ 4,792,000
\$7.00 Vehicle Registration Tax	\$ 6,850,000
\$3.00 Vehicle Registration Tax (Transfer from Wake Tax District)	\$ 2,925,000
Community Funding Area Fund Balance	\$ 480,137
Other Tax District Revenues	\$ 608,437
<b>Total Revenues</b>	<b>\$ 37,658,538</b>
<b>Expenditures</b>	
<b>Tax District Administration</b>	
Salaries and Benefits	\$ 470,000
Contracted Services	\$ 165,733
<b>Transit Plan Administration</b>	
GoTriangle	\$ 2,745,107
CAMPO	\$ 824,909
GoRaleigh	\$ 1,885,167
GoCary	\$ 884,348
<b>Bus Operations</b>	
GoTriangle	\$ 4,052,469
GoRaleigh	\$ 20,742,251
GoCary	\$ 2,557,187
GoWake Access	\$ 1,125,361
Wendell	\$ 4,752
Zebulon	\$ 6,397
Reserve	\$ 125,996
<b>Community Funding Area</b>	
Wake Forest	\$ 415,457
Apex	\$ 440,607
Morrisville	\$ 375,012
FY23 Unused Funds	\$ 480,137
Reserve	\$ 357,648
<b>Total Expenditures</b>	<b>\$ 37,658,538</b>
<b>Revenues over Expenditures</b>	<b>\$ -</b>



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**Recommended on 4/19/23**

**Recommended on 4/19/23**



## FY24 Triangle Tax District: Wake Capital

Revised

	Triangle Tax District: Wake Capital
<b>Revenues</b>	
<b>Tax District Revenues</b>	
Article 43 1/2 Cent Local Option Sales Tax	\$ 98,480,740
BRT - Southern Corridor Federal Share	\$ 85,914,792
Community Funding Area Fund Balance	\$ 661,935
Allocation from Wake Capital Fund Balance	\$ 14,232,843
<b>Total Revenues</b>	<b>\$ 199,290,310</b>
<b>Expenditures</b>	
<b>Capital Planning</b>	
CAMPO	\$ 250,000
<b>Community Funding Area</b>	
Town of Apex	\$ 429,275
Town of Knightdale	\$ 232,660
<b>Bus Rapid Transit (BRT)</b>	
GoRaleigh - Transit Plan Share	\$ 57,252,485
GoRaleigh - Federal Share	\$ 85,914,792
<b>Bus Infrastructure</b>	
GoTriangle	\$ 2,875,375
GoRaleigh	\$ 21,169,859
GoCary	\$ 26,471,404
Reserve	\$ 1,124,864
<b>Vehicle Acquisition</b>	
GoRaleigh	\$ 1,456,096
GoTriangle	\$ 2,113,500
<b>Total Expenditures</b>	<b>\$ 199,290,310</b>
<b>Revenues over Expenditures</b>	<b>\$ -</b>

## FY24 Triangle Tax District: Wake Capital

Recommended on 4/19/23

	Triangle Tax District: Wake Capital
<b>Revenues</b>	
<b>Tax District Revenues</b>	
Article 43 1/2 Cent Local Option Sales Tax	\$ 102,997,036
BRT - Southern Corridor Federal Share	\$ 85,914,792
Community Funding Area Fund Balance	\$ 661,935
Allocation from Wake Capital Fund Balance	\$ 9,716,547
<b>Total Revenues</b>	<b>\$ 199,290,310</b>
<b>Expenditures</b>	
<b>Capital Planning</b>	
CAMPO	\$ 250,000
<b>Community Funding Area</b>	
Town of Apex	\$ 429,275
Town of Knightdale	\$ 232,660
<b>Bus Rapid Transit (BRT)</b>	
GoRaleigh - Transit Plan Share	\$ 57,252,485
GoRaleigh - Federal Share	\$ 85,914,792
<b>Bus Infrastructure</b>	
GoTriangle	\$ 2,875,375
GoRaleigh	\$ 21,169,859
GoCary	\$ 26,471,404
Reserve	\$ 1,124,864
<b>Vehicle Acquisition</b>	
GoRaleigh	\$ 1,456,096
GoTriangle	\$ 2,113,500
<b>Total Expenditures</b>	<b>\$ 199,290,310</b>
<b>Revenues over Expenditures</b>	<b>\$ -</b>

## FY24 Wake County Transit Plan: Capital

Revised

	Triangle Tax District: Wake Capital	GoTriangle	GoRaleigh	GoCary	CAMPO	Town of Knightdale	Town of Apex	Total Wake County Transit Plan: Capital	
Revenues									
Article 43 1/2 Cent Local Option Sales Tax	\$ 98,480,740								\$ 98,480,740
BRT - Southern Corridor Federal Share	\$ 85,914,792								\$ 85,914,792
Allocation from Wake Capital Fund Balance	\$ 14,232,843								\$ 14,232,843
Allocations from Tax District Revenues to Agencies									
Capital Planning		\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -		
Community Funding	\$ 661,935	\$ -	\$ -	\$ -	\$ -	\$ 232,660	\$ 429,275	\$ 661,935	
Bus Rapid Transit (BRT)		\$ -	\$ 143,167,277	\$ -	\$ -	\$ -	\$ -		
Bus Infrastructure		\$ 2,875,375	\$ 21,169,859	\$ 26,471,404	\$ -	\$ -	\$ -		
Bus Acquisitions		\$ 2,113,500	\$ 1,456,096	\$ -	\$ -	\$ -	\$ -		
Total Revenues	\$ 199,290,310	\$ 4,988,875	\$ 165,793,232	\$ 26,471,404	\$ 250,000	\$ 232,660	\$ 429,275	\$ 199,290,310	
Wake Transit Bus Plan Update	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capital Planning									
Ext. of Planning Horizon for Vision Plan	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000	
Community Funding Management	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ 20,000	
Coordinated Human Services Plan	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ -	\$ -	\$ 80,000	
Community Funding									
Town of Apex	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 429,275	\$ 429,275	
Town of Knightdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,660	\$ -	\$ 232,660	
Bus Rapid Transit (BRT)									
Wake BRT - Southern Corridor (Transit Plan Share)	\$ -	\$ -	\$ 57,252,485	\$ -	\$ -	\$ -	\$ -	\$ 57,252,485	
Wake BRT - Southern Corridor (Federal Share)	\$ -	\$ -	\$ 85,914,792	\$ -	\$ -			\$ 85,914,792	
Bus Infrastructure									
Design, GoCary Ops & Maint. Facility	\$ -	\$ -	\$ -	\$ 25,954,064	\$ -	\$ -	\$ -	\$ 25,954,064	
BOMF Expansion	\$ -	\$ 1,650,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,650,000	
Short Term Park & Ride	\$ -	\$ 355,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 355,000	
Bus Stop Improvements	\$ -	\$ 577,910	\$ 1,169,859	\$ 517,340	\$ -	\$ -	\$ -	\$ 2,265,109	
Systemwide Bus Stop Improvements	\$ -	\$ 292,465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 292,465	
ADA Facility (Feasibility & Design)	\$ -	\$ -	\$ 20,000,000	\$ -	\$ -			\$ 20,000,000	
Technology Initiatives	\$ 1,124,864	\$ -	\$ -	\$ -	\$ -			\$ 1,124,864	
Vehicle Acquisitions									
Bus Purchases	\$ -	\$ 1,762,500	\$ 714,769	\$ -	\$ -	\$ -	\$ -	\$ 2,477,269	
ADA Vehicles Purchases	\$ -	\$ 351,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 351,000	
GoRaleigh Support Vehicles	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
Paratransit Replacement Vehicles	\$ -	\$ -	\$ 427,448	\$ -	\$ -			\$ 427,448	
Paratransit Expansion Vehicles	\$ -	\$ -	\$ 113,879	\$ -	\$ -	\$ -	\$ -	\$ 113,879	
Allocations from Tax District Revenues to Agencies									
Capital Planning	\$ 250,000								
Community Funding Area	\$ 661,935								
Bus Rapid Transit (BRT)	\$ 143,167,277								
Bus Infrastructure	\$ 50,516,638								
Bus Acquisitions	\$ 3,569,596								
Total Expenditures	\$ 199,290,310	\$ 4,988,875	\$ 165,793,232	\$ 26,471,404	\$ 250,000	\$ 232,660	\$ 429,275	\$ 199,290,310	
Revenues over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

## FY24 Wake County Transit Plan: Capital

**Recommended on 4/19/23**

	Triangle Tax District: Wake Capital	GoTriangle	GoRaleigh	GoCary	CAMPO	Town of Knightdale	Town of Apex	Total Wake County Transit Plan: Capital	
Revenues									
Article 43 1/2 Cent Local Option Sales Tax	\$ 102,997,036								\$ 102,997,036
BRT - Southern Corridor Federal Share	\$ 85,914,792								\$ 85,914,792
Allocation from Wake Capital Fund Balance	\$ 9,716,547								\$ 9,716,547
Allocations from Tax District Revenues to Agencies									
Capital Planning		\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -		
Community Funding	\$ 661,935	\$ -	\$ -	\$ -	\$ -	\$ 232,660	\$ 429,275	\$ 661,935	
Bus Rapid Transit (BRT)		\$ -	\$ 143,167,277	\$ -	\$ -	\$ -	\$ -		
Bus Infrastructure		\$ 2,875,375	\$ 21,169,859	\$ 26,471,404	\$ -	\$ -	\$ -		
Bus Acquisitions		\$ 2,113,500	\$ 1,456,096	\$ -	\$ -	\$ -	\$ -		
Total Revenues	\$ 199,290,310	\$ 4,988,875	\$ 165,793,232	\$ 26,471,404	\$ 250,000	\$ 232,660	\$ 429,275	\$ 199,290,310	
Wake Transit Bus Plan Update	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capital Planning									
Ext. of Planning Horizon for Vision Plan	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000	
Community Funding Management	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ 20,000	
Coordinated Human Services Plan	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ -	\$ -	\$ 80,000	
Community Funding									
Town of Apex	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 429,275	\$ 429,275	
Town of Knightdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,660	\$ -	\$ 232,660	
Bus Rapid Transit (BRT)									
Wake BRT - Southern Corridor (Transit Plan Share)	\$ -	\$ -	\$ 57,252,485	\$ -	\$ -	\$ -	\$ -	\$ 57,252,485	
Wake BRT - Southern Corridor (Federal Share)	\$ -	\$ -	\$ 85,914,792	\$ -	\$ -			\$ 85,914,792	
Bus Infrastructure									
Design, GoCary Ops & Maint. Facility	\$ -	\$ -	\$ -	\$ 25,954,064	\$ -	\$ -	\$ -	\$ 25,954,064	
BOMF Expansion	\$ -	\$ 1,650,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,650,000	
Short Term Park & Ride	\$ -	\$ 355,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 355,000	
Bus Stop Improvements	\$ -	\$ 577,910	\$ 1,169,859	\$ 517,340	\$ -	\$ -	\$ -	\$ 2,265,109	
Systemwide Bus Stop Improvements	\$ -	\$ 292,465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 292,465	
ADA Facility (Feasibility & Design)	\$ -	\$ -	\$ 20,000,000	\$ -	\$ -			\$ 20,000,000	
Technology Initiatives	\$ 1,124,864	\$ -	\$ -	\$ -	\$ -			\$ 1,124,864	
Vehicle Acquisitions									
Bus Purchases	\$ -	\$ 1,762,500	\$ 714,769	\$ -	\$ -	\$ -	\$ -	\$ 2,477,269	
ADA Vehicles Purchases	\$ -	\$ 351,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 351,000	
GoRaleigh Support Vehicles	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
Paratransit Replacement Vehicles	\$ -	\$ -	\$ 427,448	\$ -	\$ -			\$ 427,448	
Paratransit Expansion Vehicles	\$ -	\$ -	\$ 113,879	\$ -	\$ -	\$ -	\$ -	\$ 113,879	
Allocations from Tax District Revenues to Agencies									
Capital Planning	\$ 250,000								
Community Funding Area	\$ 661,935								
Bus Rapid Transit (BRT)	\$ 143,167,277								
Bus Infrastructure	\$ 50,516,638								
Bus Acquisitions	\$ 3,569,596								
Total Expenditures	\$ 199,290,310	\$ 4,988,875	\$ 165,793,232	\$ 26,471,404	\$ 250,000	\$ 232,660	\$ 429,275	\$ 199,290,310	
Revenues over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

## **FY 2024 RECOMMENDED WAKE TRANSIT WORK PLAN OPERATING BUDGET**

### **Fiscal Year 2024 Revenues**

A total of \$136.2 million of Revenue is budgeted in the Recommended Wake Transit Work Plan for fiscal year (FY) 2024. These dollars funded by the Wake County Tax District rely on a mixture of local funding sources, the largest of which is the half-cent local option sales tax. Administered by GoTriangle, the local sales tax went into effect on April 1, 2017 following the November 8, 2016 approval from Wake County voters to levy such a tax for the purpose of funding the county's public transportation systems. The Recommended FY 2024 Work Plan assumes the seventh full year of sales tax revenue, totaling \$125.0 million.

In addition to the half-cent sales tax, the Recommended FY 2024 Wake Transit Work Plan involves four other revenue sources which make up the additional \$11.2 million.

- A \$7 county vehicle registration tax to fund transportation systems (\$6.9 million is budgeted for FY 2024);
- A \$3 dedication from the \$8 Regional Transit Authority Registration Tax (\$2.9 million is budgeted for FY 2024);
- A portion of the 5% vehicle rental tax allocated to Wake County (\$276K is budgeted for FY 2024); and
- Other Tax District revenues (\$1.1 million is budgeted for FY 2024).

### **Fiscal Year 2024 Expenditures**

The Recommended FY 2024 Wake Transit Work Plan includes approximately \$37.7 million for operating costs. These operating expenditures can be categorized into three distinct groups. The first group, Total Bus Operations, accounts for dollars budgeted for expanded bus operations. The second group, Transit Plan Administration, accounts for dollars allocated to ongoing transit planning and overall transit plan implementation. Finally, the third group, Total Tax District Administration, covers expenses related to the administration of the tax district.

#### **I. Total Bus Operations -- \$30.8 Million**

New Bus Operations - \$0.6 million

Continuation of Bus Operations Funded in Previous Work Plans - \$30.2 million

The Recommended FY 2024 Wake Transit Work Plan includes \$30.8 million for Bus Operations, of which approximately \$0.6 million is for new operations, and approximately \$30.2 million is for the continuation of funding for services implemented in prior years.

A. Route Improvement and Expansions : \$564,988

The Recommended FY 2024 Wake Transit Work Plan continues to build on the previously approved work plans.

- *Biltmore Hills/Garner Service Expansion : \$164,988*  
\$164,988 allocated to GoTriangle for the implementation of Biltmore Hills/Garner service expansion, which includes realignment and increased frequency for the existing Route 5 – Biltmore Hills, as well as, weekend service for Route 20-Garner.
- *Northeast Wake County Microtransit Service : \$400,000*  
\$400,000 allocated to Wake County to provide continued microtransit service in the current Northeast Wake County SmartRide service area in FY 2024. This service will continue as a Community Funding Area Program (CFAP) with local match, given a successful application during the FY 2025 CFAP Call for Projects.

B. Continuation of Existing Service Funded in Prior Years & Other Funds : \$30.2 million

- *Continuation of Existing Service Funded in Prior Years : \$28.4 Million*  
The Recommended FY 2024 Wake Transit Work Plan continues the initial investments made in the previous years of Wake Transit Plan implementation. These include several new routes and increased span and frequency that were initially budgeted in previous Wake Transit Work Plans to be implemented by the City of Raleigh, Town of Cary, Wake County, Town of Wake Forest, Town of Apex, Town of Morrisville and GoTriangle. Additional information regarding these services may be found in the “Project Sheets for Continuing Projects Initiated in Prior Fiscal Years” section of the appendix and previous years’ Adopted Wake Transit Work Plans.
- *Operations and Maintenance of Raleigh Bus Facilities : \$593,613*  
\$593,613 allocated to The City of Raleigh to perform regular maintenance on bus facilities (bus stops, park and rides, etc.) and Maintenance of bus facilities including power washing, refuse pickup, and amenity replacement when damaged. Regular upkeep of these transit facilities ensure riders have clean and comfortable amenities when using the transit system.
- *Other : \$1.2 Million*  
Other funds for FY 2024 Bus Operations include an allocation of \$170,170 for fare strategy initiatives associated with mobile ticketing and fare capping, and an allocation of \$197,788 will be authorized for the continuation of the Youth GoPass Program. The Recommended FY 2024 Wake Transit Work Plan also includes



\$837,785 that will remain in the Community Funding Area Program's dedicated fund balance. Additional information regarding these projects may be found in the "Project Sheets for Continuing Projects Initiated in Prior Fiscal Years" section of the appendix and previous years' Adopted Wake Transit Work Plans.

## **II. Transit Plan Administration -- \$6.3 Million**

New Transit Plan Administration - \$0.8 million

Continuous Transit Plan Administration - \$5.5 million

### **A. New Transit Plan Administration : \$754,342**

A total of \$150,000 is included for the City of Raleigh to hire one new full-time equivalent employee (FTE). The new Transit Planner/Analyst will work with the fixed route operating and capital service groups in GoRaleigh. The City is also allocated an additional \$148,750 for the continuation of marketing to support bus system expansion. GoTriangle will consolidate individual FTE related projects while increasing the project funding due to inflation, realignment of FTE resources, and additional increase of legal and facility resources at a cost of approximately \$269,633. The FTE's will be funded by a combination of Wake Transit and non-Wake Transit revenues and will focus on various GoTriangle construction related projects that are currently underway and in advance planning. Like GoTriangle, CAMPO will also consolidate individual FTE related projects while increasing the project funding due to inflation, increased labor expenses for which the assumed 2.5% annual cost escalation assumed with Wake Transit multi-year operations programming has not kept pace, as well as costs associated with CAMPO's Lead Planning Agency (LPA) switch at a cost of approximately \$185,959.

### **B. Continuation of Existing Transit Plan Administration : \$5.5 Million**

The Recommended FY 2024 Wake Transit Work Plan allocates approximately \$5.5 million originally budgeted in prior years for staffing, marketing, and other administration costs. Funds are allocated to GoTriangle and CAMPO as designated lead agencies to continue to employ staff to direct and implement activities for the Wake Transit program. The City of Raleigh is allocated funding for 10 FTEs (full-time equivalent) and the Town of Cary is allocated funding for 5.5 FTEs. Also included in this budget are dollars related to marketing, customer and community surveys, customer feedback system, contracted services, property maintenance and appraisals, leases, office expenses, and other legal and administrative expenses. Additional information regarding these and other prior year recurring expenses may be found in the "Project Sheets for Continuing Projects Initiated in Prior Fiscal Years" section of the appendix and previous years' Adopted Wake Transit Work Plans.

**III. Total Tax District Administration -- \$635,734**

New Tax District Administration - \$0

Continuous Tax District Administration - \$635,734

Tax District Administration provides financial and regulatory oversight of the tax district. The Recommended FY 2024 Wake Transit Work Plan includes dollars similar budgeted in prior years for staffing, financial advisor services and auditing services. Additional information regarding these prior year recurring expenses may be found in the "Project Sheets for Continuing Projects Initiated in Prior Fiscal Years" section of the appendix and previous years' Adopted Wake Transit Work Plans.

## **FY 2024 RECOMMENDED WAKE TRANSIT WORK PLAN CAPITAL BUDGET**

The Recommended FY 2024 Wake Transit Work Plan includes capital funds for vehicle acquisition and the planning, design, and construction of major infrastructure required to support new transit service and expansions. In future years, capital projects contemplated in the Wake County Transit Plan are dependent on several factors outside of the Wake Transit Program, including successful receipt of federal and/or state grant awards.

### **Fiscal Year 2024 Revenues**

The Recommended FY 2024 Wake Transit Work Plan includes \$199.3 million for capital projects. These projects are funded by a combination of local revenues, allocation from the Wake capital fund balance, and federal funds.

### **FY 2024 EXPENDITURES**

#### **I. Bus Infrastructure -- \$51.6 Million**

The Wake County Transit Plan envisioned capital infrastructure to support a rapidly growing local bus network. This infrastructure includes transfer points, transit centers, park-and-ride lots, bus stop and sidewalk improvements, bus maintenance facilities, street-side facilities, advanced technologies, and other improvements. The Recommended FY 2024 Wake Transit Work Plan continues to build upon the investments for which funding has been allocated in previous Work Plan years to support the implementation of the Wake Bus Plan, a multi-year bus operating and capital plan. The current Wake Bus Plan utilized to inform the FY 2024 Wake Transit Work Plan was adopted in 2016 and includes bus service expansion investments through 2027. This plan is in the process of being updated to go through FY 2030 with anticipated adoption mid-FY 2023. Once adopted, the updated version of the Wake Bus Plan will be utilized to inform the FY 2025 Wake Transit Work Plan. For FY 2024, funds are allocated for improvements that lay the groundwork to support future service expansion when implemented and offer an improved passenger experience on many of the existing services.

#### **A. Operations and Maintenance Facilities : \$47.6 million**

The Recommended FY 2024 Work Plan allocates the following for operations and maintenance facilities:

## Attachment A

- \$26.0 million allocated to the Town of Cary in FY 2024 to replace the current GoCary operations center located at 1107 Trinity Rd which is currently being leased. These funds will be used in addition to \$35 million of Wake Transit Funds that were allocated in FY 2022 for construction and \$13 million in grants and community project earmarks received in FY 2023 by the Town of Cary.
- \$20.0 million allocated to the City of Raleigh for construction of a new Paratransit Operations and Maintenance Facility that would accommodate both GoRaleigh Access and GoWake Access operations. The new facility would provide both operations adequate space to accommodate existing and future growth of their paratransit programs.
- \$1.6 million allocated to GoTriangle to cover the Wake County Share for the continued expansion of the Bus Operations and Maintenance Facility at 5201 Nelson Rd, Morrisville, other funding sources will include Durham and Orange county transit tax revenues.

### B. Bus Stops, Park & Ride Facilities, and Transit Centers : \$2.9 million

The Recommended FY 2024 Wake Transit Work Plan provides the following funds for bus stops, park and ride facilities, and transit centers in FY 2024:

- \$1.2 million, approximately, to the City of Raleigh for bus stop improvements, up to 27 standard stops and 1 high volume stop throughout the GoRaleigh bus network. These locations will include improvements that will meet Americans with Disabilities Act (ADA) standards and have passenger amenities ranging from benches to shelters.
- \$1.2 million, approximately, is allocated to GoTriangle and slated to design and construct bus stops for existing and future services and make improvements to existing park-and-ride facilities within Wake County.
- \$0.5 million allotted to the Town of Cary for bus stop improvements and continue design and construction of bus stops to support future 9A route.

### C. Technology Improvements : \$1.1 million

The Recommended FY 2024 Wake Transit Work Plan reserves approximately \$1.1 million for funding technology initiatives that support the Four (4) Big Moves. The moves identified in the voter-approved Wake County Transit Plan are (1) Connect regionally; (2) Connect all Wake County Communities; (3) Frequent and Reliable Urban Mobility and (4) Enhanced Access to Transit.

## **II. Vehicle Acquisition -- \$3.6 Million**

The Recommended FY 2024 Wake Transit Work Plan provides the following funds for vehicle acquisition to support transit services in FY 2024:

- \$2.1 million in Wake Transit funds is allocated to GoTriangle to replace and repower existing buses and purchase four (4) new paratransit vehicles. GoTriangle will utilize a combination of local and Wake Transit funds to complete the FY 2024 vehicle acquisition projects.
- \$1.5 million, approximately, is allocated to the City of Raleigh. Of this, \$714,769 is intended to purchase one (1) new bus, the vehicle will likely be a compressed natural gas (CNG) model. The City will also be appropriated \$541,327 to replace four (4) paratransit vehicles for demand-response/paratransit operations and one (1) expansion paratransit vehicle. Lastly, the City will utilize \$200,000 to continue expansion of the GoRaleigh support vehicle fleet.

## **III. Bus Rapid Transit -- \$143.2 Million**

The City of Raleigh is allocated \$57.3 million for the Wake Bus Rapid Transit (Wake BRT) Southern Corridor project to finalize design and provide the local match for construction, right of way, and vehicle acquisition for Federal Transit Administration (FTA) Small Starts Grant of \$85.9 million. The Wake BRT Southern Corridor will provide frequent (10-15 min peak and 15 min weekend) and reliable transit service along the corridor that will include 50% dedicated transit lanes and BRT branded stations.

## **IV. Community Funding Area Program -- \$661,935**

The Town of Apex is allocated \$429,275 to conduct a Future Transit Prioritization Study, Enhancements to the GoApex Route 1, and Pedestrian Improvements at Saunders Street & Hinton Street. The Town of Knightdale is allocated \$232,660 for sidewalk and crosswalk enhancements along Knightdale Boulevard and Old Knight Road, specifically along the Route 33 alignment.

## **V. Capital Planning -- \$250,000**

CAMPO is allocated \$250,000 for three (3) planning studies that will review and update previous versions that were adopted. They include \$80,000 to cover the Wake Transit share of an update to the Locally Coordinated Human Services Plan to reflect the new Wake Bus Plan and align with any alternations to the region's planning and programming of bus services. Additional funding for this project will come from CAMPO. Additionally,

\$20,000 is allotted for an update to the Community Funding Area Program Management Plan. Lastly, \$150,000 has been allocated in FY 2024 for an update to the Wake Transit Vision Plan that will extend the planning horizon and guide Wake Transit projects through FY 2035. This update will take approximately two years and as such will require \$150,000 of funding in both FY 2024 and FY 2025.

**VI. Reserve for Future Projects and Debt Service – N/A**

Future years of Wake County Transit Plan implementation require an extensive capital outlay for major infrastructure projects. The original Wake County Transit Plan was modeled after establishing a five (5) percent (%) capital fund balance as an overall reserve and measuring the plan's financial health and resources specified in the operating fund. During the process to update the Wake County Transit Plan, the capital fund balance was increased to include 10% of the assumed Wake BRT project costs and maintained a 5% rate for all other capital projects. This put the total rate for the full outlay of expenditures at 6.4%. The dedicated capital reserve balance is anticipated to meet the required amount by the end of FY 2023.

**VII. Reserve from Future Projects – \$14.2M**

The Recommended FY 2024 Wake Transit Work Plan includes an allocation of \$14.2M from the previous year's capital fund balance to fund capital projects included in the recommended work plan.



Model Assumptions Update Summary

Wake Transit Plan Model Assumptions - FY 2024 Recommended Wake Transit Work Plan

Revised

Assumption	Type	Wake Transit Plan Assumption	FY 2024 Proposed Assumption	Source	Impact/Notes
Operating Revenues					
Tax District Revenues					
Article 43 1/2 Cent Local Option Sales Tax	Growth Rate	4.0%	3.0%	FY 2022 Actuals	FY 2024 assumption includes a \$18 million increase compared to the FY23 Adopted Transit Work Plan. Growth percentage is 3% compared to the FY 2022 Actuals which exceeded the FY 2023 Adopted budget. The increase compared to the FY24 Draft Work Plan is based on current actuals recieved in FY23.
Vehicle Rental Tax	Growth Rate	2.5%	0.0%	N/A	A portion of vehicle rental tax collected by GoTriangle has been included in the FY24 Wake Transit Work Plan. The GoTriangle Board of Trustees is anticipated to vote on the retention of the vehicle rental tax as part of their budget process.
Vehicle Registration Tax, \$7.00 per Vehicle	Growth Rate	2.0%	4.0%	FY 2022 Actuals	Increase of 4% from FY22 Actuals. The increase was calculated using historical growth (2%) based on FY22 Actuals
Vehicle Registration Tax, \$3.00 per Vehicle	Growth Rate	2.0%	4.0%	FY 2022 Actuals	Increase of 4% from FY22 Actuals. The increase was calculated using historical growth (2%) based on FY22 Actuals
Agency Revenues					
State Share of Operating Costs					
State Maintenance Assistance Program	% of Costs	10%	10%		For existing service
Federal Share of Operating Costs					
Federal Formula Transit Grants Section (5307)	FTA Formula Inputs and Data Unit Value for Revenue Miles	54.7 cents/mile	54.5 cents/mile in FY22 then 42.2 cents/mile FY24 and beyond	FFY 2020 NTD Data Unit Values	Additional funds from route miles funded by the WTP programmed starting in FY 2021.
Farebox Recovery Ratios					Model assumes farebox for new service is part of recovery ratio and cash in plan. Farebox recovery for future years provided by agencies based on individual farebox recovery and projections for new routes.
Bus Rapid Transit (Operations Beginning in 2025)	% of Costs	24%	Various		The MIS BRT Design Standards and Performance Measures call for a minimum 20% farebox recovery. Current model illustrates estimates from the City of Raleigh that will be revised.
Commuter Rail (Operations Beginning in 2033)	% of Costs	20%	20%		
Local Bus					
Raleigh	% of Costs	18%	0%	City of Raleigh	Transit partners are still in discussion on FY24 Fare collection. Farebox is budgeted as zero attributable to the Wake Transit Work Plan revenue impact in the FY24 Recommended plan.
Cary	% of Costs	18%	0%	Town of Cary	Transit partners are still in discussion on FY24 Fare collection. Farebox is budgeted as zero attributable to the Wake Transit Work Plan revenue impact in the FY24 Recommended plan.
GoTriangle	% of Costs	18%	0%	GoTriangle	Transit partners are still in discussion on FY24 Fare collection. Farebox is budgeted as zero attributable to the Wake Transit Work Plan revenue impact in the FY24 Recommended plan.
Operating Expenditures					
Administration	Growth Rate	N/A	2.50%	CPI Ten Year Estimate	
Transit Operations					
Bus Rapid Transit (Cost/Hr) (Beginning in 2025)	Growth Rate	2.50%	2.50%	CPI Ten Year Estimate	
Rail (Annual Cost) (Beginning in 2033)	Growth Rate	2.50%	2.50%	CPI Ten Year Estimate	
Local Bus (Cost/Hr)	Growth Rate	2.50%	2.50%	CPI Ten Year Estimate	
Bus Operations	Growth Rate	2.50%	2.50%	CPI Ten Year Estimate	
Bus Infrastructure O&M	Growth Rate	2.50%	2.50%	CPI Ten Year Estimate	
Other Agency Operating Expenditures	Growth Rate	2.50%	2.50%	CPI Ten Year Estimate	
Debt Financing					
Commuter Rail Amortization	True Interest Cost (TIC); Debt Structure; Debt Service Reserve Fund (DSRF) Requirement; Cost of Issuance	30 Year, 5.25%, DSRF, 2% COI	35 Year, 4.25%, DSRF, 2% COI	Financial Advisor	First year of debt issuance FY 2027 - Financial Model assumes the utilization of Railroad Rehabilitation & Improvement Financing (RRIF) loan
Bus Rapid Transit Amortization	True Interest Cost (TIC); Debt Structure; Debt Service Reserve Fund (DSRF) Requirement; Cost of Issuance	20 Year, 4.75%, DSRF, 2% COI	20 Year, variable 4.0% - 4.75%, DSRF 2% COI	Financial Advisor	First year of debt issuance FY 2025 projects
Bus Infrastructure Amortization	True Interest Cost (TIC); Debt Structure; Debt Service Reserve Fund (DSRF) Requirement; Cost of Issuance	20 Year, 4.75%, DSRF, 2% COI	20 Year, variable 4.0% - 4.75%, DSRF 2% COI	Financial Advisor	First year of debt issuance FY 2025 projects
Short Term Financing	True Interest Cost (TIC); Debt Structure; Cost of Issuance	3%, 2% COI	N/A	Financial Advisor	Short Term Financing not included in the FY24 Recommended Plan
Capital Revenues					
Tax District Revenues					
Interest / Investment Income	Investment Rate	0%	0%		Investment income not budgeted for FY 2024
Agency Revenues					
Bus Infrastructure					
State share	% of Costs	0%	0%		
Federal share	% of Costs	0%	6%		\$12 million of LAPP funds through 2030
Vehicles - Bus					
State share	% of Costs	10%	0%		

Model Assumptions Update Summary

Wake Transit Plan Model Assumptions - FY 2024 Recommended Wake Transit Work Plan

Revised

Assumption	Type	Wake Transit Plan Assumption	FY 2024 Proposed Assumption	Source	Impact/Notes
Federal share	% of Costs	40%	7%		Existing federal funds of \$6 million through 2030 to contribute to Wake Bus Plan bus acquisition and infrastructure projects.
Commuter Rail					
State share	% of Costs	0%	0%		
Federal share	% of Costs, Annual Funding Disbursement Caps, and Timing of Funds	50%, Cap of \$100 M a year, All Costs Eligible for Reimbursement. Federal funds by 2020	50%; Cap of \$100 M a year (total project funding), FY 29 Costs Eligible for 50% Federal Reimbursement. Federal funds by FY 2031.	GoTriangle and CAMPO	Continue to monitor percent federal share required.
Bus Rapid Transit					
State share	% of Costs	0%	0%		
Federal share	% of Costs, Annual Funding Disbursement Caps, and Timing of Funds	50%, Cap of \$100 M a year, All Costs Eligible for Reimbursement. Federal funds by FY 2020	50%; Cap of \$100 M a year (3 BRT Corridors) / 40%; Cap for \$100 M a year (1 BRT Corridor), FY 24 Costs Eligible for 50% Federal Reimbursement. Federal funds by FY 2026.	GoTriangle and CAMPO	Continue to monitor percent federal share required.
Capital Expenditures					
Administration	Growth Rate	0.00%	2.50%		
Vehicles					
Bus Rapid Transit	Growth Rate	4%	4%		
Commuter Rail	Growth Rate	4%	4%		
Local Bus	Growth Rate	4%	4%		
Liquidity					
Minimum Operating Fund Balance	% of Sales Tax	25%	25%	Financial Policy	Formalized Financial Policies Adopted by GoTriangle and CAMPO
Capital Projects Fund Balance	% of Projects Budget Through 2032	5%	6%	Financial Policy	Original 5% Formalized Financial Policies Adopted by GoTriangle and CAMPO. Revised % included in the Wake Transit Vision Plan. The % is calculated with a 10% Fund balance for BRT projects, 5% all other capital projects.

Outcome (Overall Fiscal Health of Wake Transit Plan)	Result	Wake Transit Plan Assumption	FY 2024 Proposed Assumption	Comment	Impact/Notes
Minimum Wake Operating Fund Balance	\$, % of Sales Tax (No Lower Than 25%)	Balance of \$21.3 in FY 2020	Balance of \$72.7 M in FY 2024		Minimum policy is designed to provide operating reserves, when combined with capital that could be used in extraordinary circumstances, to meet liquidity targets. The minimum fund balance is 25% of the subsequent years adopted sales tax in the Wake Operating fund or a minimum of 90 days unrestricted cash. The amount listed is the total operating fund balance which includes the reserves.
Minimum O&M Reserve	3 Months	N/A	N/A	in each transit agency	
Minimum Wake Capital Fund Balance	\$, % of Capital Projects Planned (5% by xx)	\$80.65 M (5%) by 2020	\$150.8 M by 2024		Capital Fund Balance increased to 6.4%. Minimum balance reached and no additional transfer is needed.
Capital Asset Management Reserve	\$ accrued	228 days in 2027	381 days in 2035		
Operating Days of Available Unrestricted Cash + Cash to Debt Service	# of Days  (181 days cash + 5x cash to DS = score of 1 for liquidity) (90 days cash + 2x cash to DS = score of 2 for liquidity)  Operating + Capital Fund Balance/Debt Service (Greater than 2.0 = S&P A)	78 days in 2027	125 days in 2035		Recommend 90-180 days cash in operating fund; greater than 180 days when combined with capital. When operating fund cash is combined with capital fund balance, liquidity reserves rank a "1" which offsets financial flexibility tied to debt service carrying charge and farebox recovery ratio.
EBITDA Debt Service Coverage (excluding short term debt)	Local Net Revenue / Debt Service (No Lower Than 1.25)	1.26 in 2027	2.02 in 2035		Net revenues available for debt service divided by debt service.
Gross Debt Service Coverage	Local Revenue / Debt Service (No Lower Than 3.0)	low of 3.56 in 2025	low is 4.13 in 2035		
Debt to Revenue (Debt Burden)	Debt Outstanding/Total Revenues (Greater than 2.0 Debt to Revenue = S&P A)	low of 2.2 in 2030	low of 2.0 in 2035		
Capital Liquidity	Available Cash Outside of Reserves (Excess inflows/outflows)	Low of \$181K in 2024	Low of \$64.3 M in 2026		

Model Assumptions Update Summary

Wake Transit Plan Model Assumptions - FY 2024 Recommended Wake Transit Work Plan

Recommended on 4/19/23

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Vehicle Rental Tax	Growth Rate	2.5%	5.0%	FY 2022 Actuals	
Vehicle Registration Tax, \$7.00 per Vehicle	Growth Rate	2.0%	4.0%	FY 2022 Actuals	
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State share	% of Costs	0%	0%		
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Model Assumptions Update Summary

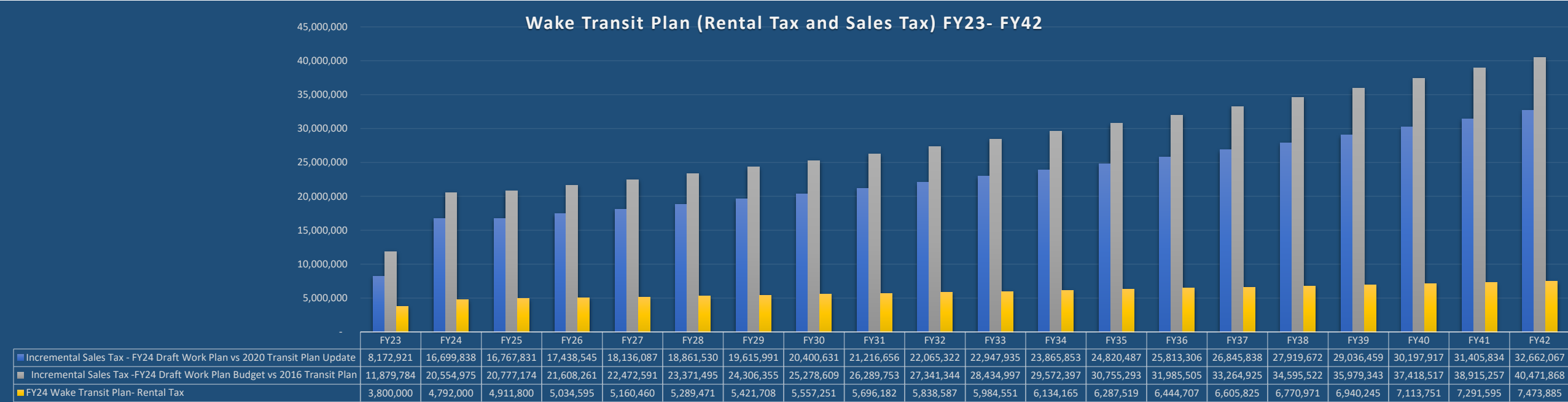
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Recommended on 4/19/23

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Minimum O&M Reserve	3 Months	N/A	N/A	in each transit agency	
Minimum Wake Capital Fund Balance	\$, % of Capital Projects Planned (5% by xx)	\$80.65 M (5%) by 2020	\$150.8 M by 2024		Capital Fund Balance increased to 6.4%. Minimum balance reached and no additional transfer is needed.
Capital Asset Management Reserve	\$ accrued	228 days in 2027	381 days in 2035		
Operating Days of Available Unrestricted Cash + Cash to Debt Service	# of Days  (181 days cash + 5x cash to DS = score of 1 for liquidity) (90 days cash + 2x cash to DS = score of 2 for liquidity)  Operating + Capital Fund Balance/Debt Service (Greater than 2.0 = S&P A)	78 days in 2027	125 days in 2035		Recommend 90-180 days cash in operating fund; greater than 180 days when combined with capital. When operating fund cash is combined with capital fund balance, liquidity reserves rank a "1" which offsets financial flexibility tied to debt service carrying charge and farebox recovery ratio.
EBITDA Debt Service Coverage (excluding short term debt)	Local Net Revenue / Debt Service (No Lower Than 1.25)	1.26 in 2027	2.14 in 2035		Net revenues available for debt service divided by debt service.
Gross Debt Service Coverage	Local Revenue / Debt Service (No Lower Than 3.0)	low of 3.56 in 2025	low is 4.26 in 2035		
Debt to Revenue (Debt Burden)	Debt Outstanding/Total Revenues (Greater than 2.0 Debt to Revenue = S&P A)	low of 2.2 in 2030	low of 2.0 in 2035		
Capital Liquidity	Available Cash Outside of Reserves (Excess inflows/outflows)	Low of \$181K in 2024	Low of \$78.7 M in 2026		

Attachment B -Revised FY 24 Work Plan Financial Assumptions



Total <b>incremental</b> Sales Tax FY24 Draft Work Plan vs 2016 Wake Transit Plan	+ \$565,273,966
Total <b>incremental</b> Sales Tax FY24 Draft Work Plan vs 2020 Vision Plan	+ \$454,890,720
Total FY24 Draft Work Plan Rental Tax	\$118,549,268

*Retention of the Vehicle Rental Tax will not impact any project currently included in the FY23 Adopted Wake Transit Work Plan or the FY24 Draft Wake Transit Plan.  
The increase in Sales Tax Revenue will offset the rental tax allocation in the Wake Transit Work Plans.*